

# Rent & Service Charges

## Why is rent charged to Shared Owners?

As you only own a share of the property, you pay a rent on the remaining share that we own. Your lease will set out how much rent is charged and how and when it will be reviewed.

## How to pay your rent?

The easiest way to pay your rent is by Direct Debit. Arranging a direct debit is easy, and can be set up with the Leasehold & Sales Team over the phone.

## What is a Service Charge?

The cost of any additional services that we may provide is paid for through a 'service charge'. The service charges are detailed within your lease. The charges will depend on where you live and are usually higher if you live in a flat. They normally include buildings insurance and services such as landscaping, door entry, repairs to communal areas and responsive repairs. A part of the service charge will also be towards your sinking fund contribution.

Your service charge also includes a management fee which covers the cost of providing a management service to your block or estate, the administration of calculating and distributing your annual service charge bills and statements as well as staff time for dealing with queries and questions.

## When is the Service Charge Due?

The service charge year runs from 1st April to 31st March. We send out estimated service charge bills in April each year and you can choose to pay in full or pay the charges over 12 months. We will calculate the difference between the actual costs and the estimates at the end of the financial year.

Your actual bill will be sent out no later than 6 months after the end of the financial year. It may include an adjustment of either an additional charge or a credit to your account.

## How to pay your Service Charge?

The easiest way to pay your service charge is by Direct Debit. Arranging a direct debit is easy, and can be set up with the Leasehold & Sales Team over the phone.

## What happens if you cannot pay your Rent and/or Service Charge?

If you miss any payments, you will be breaking the terms of your lease and possibly your mortgage agreement (if you have one) and we will instigate arrears proceedings against you. If you believe you will have difficulty paying your bill or may miss an agreed payment, you should contact the Leasehold and Sales team as soon as possible to discuss the matter further.