**BUYING AN APARTMENT**

**AT**

**KING RICHARD COURT**

***WHAT YOU NEED TO KNOW***

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***Please note this brief outline for prospective buyers is just a guide. You should always seek advice and guidance from your own Solicitor***

**Buying an Apartment at King Richard Court**

***What you need to know***

1. **INTRODUCTION**

King Richard Court is a purpose built Very Sheltered or Extra-Care retirement scheme. It is within walking distance of local shops - Tesco Express, chemist and a popular public house.

The building consists of 43 two bed and 9 one bed apartments totalling 52 apartments. It has been designed around two planted courtyards. A bus stop is located adjacent to the Court, and although the M1 is less than two miles away, King Richard Court is a relaxed & peaceful haven.

As well as the spacious apartments, there is a large communal lounge, dining room & conservatory linked to an outdoor patio. In the lounge, weekly exercise class takes place. There is also a guest room which is luxuriously decorated and available for friends and family to use.

The Court has a lively social life with many quizzes, talks, tea parties, games evenings & events arranged by the Owners’ Social Committee and the Manager.

Having opened in 1991, King Richard Court has built a strong relationship with the local doctors and health care professionals as well as visiting hairdressers, chiropodists etc. A local pharmacy brings medication weekly.

The philosophy behind the establishment of King Richard Court is the desire that retired individuals and couples should be able to maintain their independence and live in their own home for as long as possible.

To realise this lofty ambition the concept has been founded on some guiding principles which have been outlined overleaf:

1. **GUIDING PRINCIPLES**
2. **Building Design** – Both individual apartments and the communal areas have been designed to be wheelchair accessible. In practice this means wider doors and corridors in apartments. This creates a feeling of space and luxury. In addition, there are various other design features which makes maintaining independence in daily life so much easier.
3. **Meals** – There is a dining room / restaurant on site. The restaurant has recently been re-launched as a cafeteria following an extended period of closure owing to the covid lockdown(s). Please check with staff on site for an update on opening times and meals served.
4. **Staffing Arrangements** – The level of service provided at the Court is a lot higher than is usually provided in traditional retirement housing. This means that there are more staff. For instance, the Court Manager heads up a team of 5 Duty Managers and a larger team of House Keeping Assistants (HKAs). In addition, there are kitchen staff, along with a Handyman and Gardener.
5. **24-Hour Staff Cover** – A Duty Manager is always present on site 365 days a year. In order to provide emergency cover during the night, a Duty Manager is available if needed.
6. **Security** – As well as the onsite staff, special attention is given to making residents feel safe and secure. Casual ‘nuisance callers’ are discouraged and an up-to-date CCTV system has been discreetly installed to improve security without making Owners feel that their privacy has been undermined.
7. **Call Alarm System** – Each of the apartments and at certain points in the communal areas have speech alarm equipment for Owners to use. Traditionally labelled a Warden Call or Alarm system, this alarm system is not linked to an outside ‘Call Centre’, but instead all calls are answered by staff actually on the Court. This means, that during an emergency, the person who comes to your aid will be someone who you know and equally important, someone who knows you.
8. **Domestic Help** – As people get older frequently, they need a little bit of practical support. At King Richard Court, the team of HKAs (House Keeping Assistants) provide domestic assistance in each individual apartment for 1.5 hours per week.
9. **Handyman** – There is a part-time handyman employed by the Court, to undertake those essential little jobs such as changing light bulbs and small DIY jobs.
10. **Care & Support** – In order to avoid any misunderstanding, the facilities provided at King Richard Court should not be confused with those provided at a Care Home. The principle of independent living underlines our approach – albeit with a helping hand at times. As everyone’s circumstances are unique, advice and guidance on this matter can be obtained from the Court Manager or a member of the Senior Team.

As the number of residents receiving care dwindled to zero during the covid lockdowns, the Care Quality Commission (CQC) requested that we de-register. This means that staff cannot offer care without re-registering with the CQC.

1. **Self-Management** / **Owners Company** – When King Richard Court was built, it was created as a ‘*Not for Profit’* Company. Amongst other things, this means that all the staff at King Richard Court are actually employed by King Richard Court Ltd. Each couple or individual Owner of each apartment hold one share in King Richard Court Ltd or the Owners Company as it is sometimes referred too.

This means that the Owners themselves elect the Directors of the Company. This Owners Company also direct the running of the project, albeit with the aid and assistance of the Court Manager, Independent Service Manager, Accountant and Surveyor.

1. **UNDERSTANDING WHAT YOU ARE BUYING**

**Leasehold and Freehold**

Retirement Security Limited are the Landlords or Freeholders at King Richard Court.

In England and Wales, apartments or flats are usually purchased on a leasehold basis. All the apartments for sale at King Richard Court are all being offered for sale on a leasehold basis.

 Buying a leasehold property means that you’ll own it for a fixed period of time. A legal agreement (lease) outlines or determines how many years you can live in the property.

The leases at King Richard Court all started in 1991 and originally sold on leases of either 99 or 125 years. However, some apartments have since extended their leases. It is important to know how many years is left on the lease of the apartment you are buying.

Understandably, considerably fewer years left on a lease, is likely to reduce the value of an apartment, although usually no one becomes very interested until a lease had say 80 years or less years to run. It is possible to extend your lease at any time after having owned the apartment for two years. However, the freeholder has been known to extend leases under two years.

Your solicitor can negotiate with Retirement Security as the Landlord (Freeholder) or their legal representative and agree a price to do this. Traditionally, Retirement Security has been very helpful and cooperative in this matter. However, there is recourse to the First-Tier Tribunal (Property Chamber), formerly the Leasehold Valuation Tribunal (LVT), as an arbitrator in these matters if agreement cannot be reached. The Independent Service Manager Mike Zamorski can offer advice on this matter.

There is a [calculator](http://www.lease-advice.org.uk/calculator/) on their web site that gives you a guide to the cost of extending the lease of a flat.

1. **LEASHOLDERS RIGHTS & RESPONSIBILITIES**

For many people coming to live at King Richard Court will mark a number of firsts. For instance, it will be the first time that they have lived in a block of apartments or owned a leasehold flat.

Being an Owner at King Richard Court, means that you will have rights and responsibilities. Your lease will tell you what conditions you’ve agreed to.

### **What are your responsibilities?**

Principally, these will be the requirements to keep the inside of the flat in good order, to pay (on time) a share of the costs of maintaining and running the building, to behave in a neighbourly manner and not to do certain things without consent, for example, make alterations or sublet. We have an obligation to ensure that the leaseholder complies with such responsibilities for the good of all the other leaseholders. These rights and responsibilities will be set out in the lease.

### **What are your contractual rights?**

First and foremost, the right of peaceable occupation of your apartment for the term of the lease, usually referred to as 'quiet enjoyment'. In addition, the leaseholder has the right to expect the building including communal areas to be maintained and kept in good repair. The common parts - that is, the parts of the building or grounds not specifically granted to the leaseholder in the lease but to which there are rights of access, for example, the entrance hall and staircases lounge, dining room etc.

# SERVICE CHARGES & OTHER EXPENSES

## **Service charges**

## The lease sets out the way the service charge is organised and collected, and what can be charged. You have the right to receive a summary showing how the charge is worked out and what it’s spent on. King Richard Court consults regularly with Owners on such things as service charge increases.

Traditionally, a rise in the service charge, which is **above** the rise in State Pension, will not be implemented without King Richard Court first holding an EGM (Extraordinary General Meeting) to ensure that the majority of Owners agree with the increase.

Increases in the service charges levels equal to or under the increase in the State Pension can only go ahead with the support of the Directors.

## **Ground rent**

## There is no provision in the lease to allow for the collection of ground rent by the Landlord/Freeholder.

## **Insurance**

## King Richard Court with the agreement of the Freeholder provides the building insurance. This means that as individual leaseholders you do not have to do this. However, Individual leaseholders must take out a policy to cover the contents of their apartments – contents insurance.

## **Reserve / Sinking Funds / Fund for Future Maintenance** This is collected via your monthly service charges. (Please be aware that you won’t be able to get back any money you pay into them if for example, you move).

* 1. **Utility Bills**

Each apartment has their own electricity and gas meters. However, there is only one bulk water meter for the whole site. Water bills are apportioned out to Owners at regular intervals.

## **TRANSFER PREMIUM (EVENT FEES)**

This is the fee that the seller of an apartment has to pay the Landlord / Freeholder i.e. Retirement Security Limited when they sell their property. The buyer does not have to pay anything. The amount you pay is worked out depending how long you will have owned the property and the amount that you sell it for. As a guide it generally works out at 1% if you have owned the property for one year or less; 2% if you have owned the property for 2 years or less with a ceiling of 3% for those who have owned the property for longer.

### **WHAT IS A MANAGING AGENT?**

A Managing Agent is appointed to manage and maintain the building on behalf of the Owners, in accordance with the terms of the lease, current relevant legislation and codes of practice. The agent takes instruction from the leaseholders in the form of the Board of Directors, and when appropriate from the Landlord.

After full consultation, the Owners at King Richard Court, opted to dispense with Retirement Security Limited as their Managing Agent in July 2014. One of the main reasons for this decision was because it was deemed a conflict of interest for the same organisation to be both the Freeholder and Management Agent.

1. **AFFORDABILITY**

You may be surprised to discover that for many people, even of modest means, the possibility of buying an apartment at King Richard Court can be affordable.

The purchase of an apartment is usually financed by selling their existing home. Occasionally a shortfall can be bridged by some financial arrangement that may be available to assist you in buying a property, provided that you are *‘in need of the services provided at King Richard Court’.*

Many retired people are surprised by the variety of benefits and financial assistance that is available to help them to help meet the monthly service charges. Because circumstances vary so widely, it is difficult to provide general advice. However, confidential advice is available from Mike Zamorski the Independent Services Manager (Management Agent).

Inevitably the cost of services provided within King Richard Court is higher than more traditional sheltered housing. This is because both the level and the extent of services provided is much greater.

It is also worthwhile not to overlook the individual services included within the service charges, many of which will represent significant savings on cost which you may be paying for separately. These include: domestic help, window cleaning, building insurance, individual care alarms, gardening and some maintenance.

1. **HOW & WHEN TO MAKE AN OFFER**

Apartments at King Richard Court are sold at a price decided by the vendors. King Richard Court does not have any say in what price an apartment is being marketed at. When you have decided on which property you wish to purchase you need to make an offer. This can be done by making your offer via the King Richard Court Senior Team.

Once your offer has been accepted you need to proceed as normal, by informing your solicitor etc. The main difference in buying at King Richard Court, is that there are three Solicitors involved. Yours, the Vendors and the Solicitor representing the Freeholder.

1. **SAFEGUARDING YOUR FINANCIAL ASSETS**

One advantage that is often overlooked when buying an apartment at King Richard Court, is that in addition to preserving your own independence, it can also safeguard your capital as represented by the value of your property. Of course, we could not guarantee that you would never need the services of a nursing or care home. However, for a majority of Owners, this will be the last move that they will make. As most people are aware, a move to a care home can work out to be extremely expensive, often requiring the sale of a person’s home until capital has been reduced to £23,250.

1. **A FINAL WORD**

We are aware that whatever stage in life you have reached, moving house can be extremely daunting. We understand how difficult the decision to move home may be, especially if you have lived in your home for many years.

Nevertheless, if you are looking to move or indeed just looking, we would encourage you not to put off indefinitely making a decision that could improve the quality and enjoyment of your life. This is especially so if you are finding the upkeep and running of your home a real struggle.

The staff at King Richard Court and the Independent Services Manager are available to advise all prospective purchasers (and your families) on all matters connected with buying a property.

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| 1. **USEFUL INFORMATION**
 |
| **Court Manager** |  |
|  | Mrs. Judith GammageKing Richard Court Wootton Brook CloseEast HunsburyNorthamptonNN4 0XU | Tel 01604 708 212 E-mail Manager@kingrichardcourt.co.uk  |
| **Duty Managers - contact address etc.**  |
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| **Independent Services Manager / Management Agent** |
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