Shared Owner Buy Back Policy

Document Owner	Development & Sales Director
Prepared by	Development & Sales Director
Approved by	Directors Group
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Date of next review	July 2029
Monitoring, Auditing and Reporting	1. This Policy will be approved by Directors Group 2. Buy back requests under this Policy will be approved by the Risk Assessment Panel (RAP) 3. Policy changes will be made in line with updates to the GLA Capital Funding Guide 4. Successful purchases under this Policy will be handled and reported by the Sales Team

1. Scope and Aims

1.1. This Policy explains how and when Hexagon Housing Association (Hexagon) will use its discretion to repurchase (buy back) shares from shared owners.

1.2. This Policy applies only to shared owners who own less than 100% of their home and pay rent to Hexagon on the unsold equity.

1.3. This Policy does not apply to leaseholders who own 100% of their lease.

1.4. The availability of buy back under this Policy is at the discretion of Hexagon. It does not create an automatic entitlement for shared owners.

1.5. When we use the terms ‘you’ and ‘your’, we mean shared owners covered by this Policy. The terms ‘we’, ‘our’ and ‘us’ mean Hexagon Housing Association.

1.6. The aim of this Policy is to help shared owners who wish to move on but are unable to do so because of issues associated with selling their home arising from building safety challenges, and where there are individual circumstances that warrant making a compassionate decision.

1.7. Each buy back request is subject to an individual assessment to determine whether it is eligible for consideration. We will then confirm whether we are able to buy back shares in your home, up to your full equity stake.

1.8. We are unable to buy back solely because you are unable to sell your home. There must also be individual circumstances that warrant making a compassionate decision under this Policy.

1.9. Hexagon will only be able to help if we have access to grant funding known as Recycled Capital Grant Funding (RCGF) to help with the cost of buying back. Without RCGF, we will not be able to buy back.

1.10. Even if RCGF is available, it may only cover part of the cost of the buy back. This means additional funding may be needed to meet the full cost. There is very limited additional funding available, so we may not be able to buy back your shares even if you meet all the criteria in this Policy and RCGF funding is available.

1.11. Any buy back will also depend on the requirements of the Greater London Authority’s funding rules being met.

2. Who can make a buy back request?

2.1. You can ask us to consider buying back your shares if you meet all of the following criteria:

2.1.1. You are a shared owner of a property owned by Hexagon;

2.1.2. You own less than 100% of the property;

2.1.3. You pay rent to Hexagon on the unsold equity in the property (excluding ground rent and service charges);

2.1.4. You are unable to sell because of issues arising from building safety challenges; and

2.1.5. You have individual circumstances that warrant making a compassionate decision; and

2.1.6. You are unable to make any reasonable alternative arrangements, such as temporarily subletting your home.

2.2. All of the above criteria must be met in full and only then will we consider the buy back request in line with the rest of this Policy.

2.3. For the purposes of this Policy, “building safety challenges” means documented fire safety or structural safety issues affecting the building, where those issues materially prevent the sale of your shared ownership home.

2.4. You will need to provide evidence that the building safety challenges are affecting your ability to sell or move on. This may include evidence from lenders, valuers, estate agents, surveyors, fire safety professionals, structural professionals, or other relevant building safety information.

2.5. Meeting the eligibility criteria does not automatically result in a buy back. Eligible applications will then be assessed against the personal circumstances and prioritisation criteria set out in Section 3.

3. How we will assess your request

3.1. If you meet the mandatory eligibility criteria set out above, we will assess your request based on your individual circumstances.

3.2. We may consider buying back shares in your home where you need to move because of circumstances such as:

3.2.1. Overcrowding;

3.2.2. A change of job location;

3.2.3. Serious financial hardship arising from a material change in circumstances, where this demonstrates an urgent need to move and cannot reasonably be addressed while you remain unable to sell because of qualifying building safety challenges;

3.2.4. Disability, medical, welfare or household needs that mean your current home is no longer suitable;

3.2.5. Exceptional circumstances requiring you to move urgently on compassionate grounds.

3.3. We may also consider other very unusual or exceptional circumstances which can only reasonably be addressed by buying back shares in your home.

3.4. Buy back will not be considered for the purpose of releasing equity to repay unsecured debt, restructure debts, or otherwise improve your general financial position.

3.5. Where we receive more eligible requests than we are able to support, we will prioritise cases based on the urgency and severity of the applicant’s circumstances, the extent to which the building safety challenges prevent the applicant from moving on, the availability of funding, and whether the buy back represents a responsible use of limited resources.

4. Terms of the buy back

4.1. You must pay:

4.1.1. All legal fees, both yours and ours;

4.1.2. An administration fee for us to process the buy back;

4.1.3. Valuation fees.

4.2. We can defer payment for these fees until completion, but we will need you to confirm that you agree to meet these costs, even if we are ultimately unable to offer to buy back your shares.

4.3. Wherever possible, we will avoid incurring costs, or asking you to incur any costs, where it is unlikely we will be able to buy back.

4.4. We will instruct an independent RICS Registered Valuer to value the property.

4.5. The valuation will consider the current condition of the property.

4.6. We reserve the right to reduce the buy back offer if the property has fallen into a state of disrepair and requires considerable repairs to bring it back to an acceptable standard.

4.7. Hexagon will not be responsible for any shortfall between the purchase price and any mortgage or other secured lending outstanding on the property.

4.8. If your buy back request is approved in principle, we may require the ability to market the property while the buy back is being progressed. This may include arranging viewings, inspections, and obtaining access, and will require the property to be kept in a reasonable condition for marketing purposes.

4.9. Any offer to buy back your property may be conditional upon your providing reasonable cooperation with marketing activities and granting reasonable access for viewings and inspections throughout the buy back process. Such access must be made available from the date of our approval in principle until the earlier of the completion of the buy back or the withdrawal of the buy back application.

4.10. We will provide reasonable notice of any requested access and will seek to minimise disruption. Consent to such requests must not be unreasonably withheld or delayed.

4.11. Failure to provide reasonable cooperation with marketing, access or viewings may result in the withdrawal of any buy back offer.

5. Supporting evidence

5.1. Along with your buy back request, you must provide:

- 5.1.1. A copy of your most recent mortgage redemption statement;
- 5.1.2. Full written details of your current personal circumstances, explaining why you wish to be considered for buy back due to building safety challenges;
- 5.1.3. Evidence that building safety challenges are affecting your ability to sell or move on;
- 5.1.4. A financial statement for us to assess your financial commitments.

5.2. The evidence required may vary depending on the circumstances. We will advise you accordingly.

5.3. We will only request information that is necessary for assessing the application, and we will process it in line with our Privacy Notice and Data Protection Policy.

6. Processing your request

6.1. When we have all your information, we’ll review your request against this Policy.

6.2. As part of our assessment, we may:

6.2.1. Obtain a current valuation of your home. You'll need to pay for this valuation even if we go on to reject your buy back request. The valuation will remain valid for three months. Hexagon reserves the right to obtain an updated valuation where completion has not taken place within this period.

6.2.2. Check if there are any planning conditions which may restrict us from making any changes to the tenure of the home, including to fulfil GLA requirements.

6.2.3. Ask for formal consent from the GLA to proceed with the buy back and apply for RCGF funding to cover all or part of the costs. If you meet the criteria, our internal Risk Assessment Panel (RAP) will consider your application for buy back. RAP will make its decision based on your circumstances and the availability of funds.

6.3. We aim to provide you with a response within 20 working days from the date we receive all the requested information outlined at 5.1 of this Policy.

6.4. If your application is approved in principle, you will need to:

6.4.1. Liaise with your lender;

6.4.2. Instruct a solicitor;

6.4.3. Cooperate with valuation, legal and conveyancing requirements;

6.4.4. Start the conveyancing process within three months of our decision.

6.5. Approval in principle does not guarantee that a buy back will complete. Completion will depend on funding, valuation, legal checks, lender requirements, conveyancing, and any external approvals required under the funding rules.

6.6. If you're unhappy with our decision, you can ask us to review it. You must request the review within ten working days of us letting you know our decision. A member of our Executive Team will consider your case and review the decision. They'll consider your views and any changes in your circumstances.

7. Equality and Diversity

7.1. Hexagon aims to understand the diverse needs of residents and deliver fair and equitable outcomes under this Policy.

7.2. We commit to considering reasonable adjustments in the delivery of our services to accommodate the diverse needs of residents and their household members.

7.3. We will pay due regard to the impact on your circumstances of any disclosed disabilities or other relevant protected characteristics when assessing whether a buy back request will be approved.

7.4. This Policy will be applied in line with our Vulnerable Residents and Reasonable Adjustments Policy and in compliance with our obligations under the Equality Act 2010 and the Regulator of Social Housing's Consumer Standards.

8. Review

8.1. We will review this Policy to address legislative, regulatory, funding, best practice or operational issues.

9. Version Control

Version	Date	Changes
2	July 2027	Scope restricted to shared owners with less than 100% ownership, excluding leaseholders. Eligibility strengthened by defining qualifying building safety issues, requiring evidence that these prevent sale, adding disability, medical, welfare and household needs, and excluding buy-backs intended to release equity for debt repayment. Prioritisation criteria introduced for limited resources. Process changes include RICS valuations with three-month validity, applicant responsibility for mortgage shortfalls, marketing and access requirements, and clarification that approval is conditional on funding, legal checks and external approvals.