

1. What is the purpose of this policy?

The provision of new homes, including the provision of Affordable Home Ownership (Shared Ownership/Right to Shared Ownership), is a key component of bpha's Corporate Strategy.

The purpose of this policy is to set out the circumstances in which bpha can and is prepared to, grant a lease extension.

Statutory rights are not explained within this policy.

2. Who is the policy for?

This policy is for Leaseholders who do not own 100% of the property (**Shared Owners**). Shared owners do not currently have the statutory right to extend their lease, potentially placing them at a disadvantage when looking to sell, re-mortgage or purchase further shares (known as staircasing) in their property. However, Shared Owners can make a voluntary request to bpha.

This policy applies to all shared ownership leases where bpha is the freeholder. Where bpha has a leasehold interest in the property then this policy may not apply.

This policy is not for Leaseholders who own the full leasehold interest (100% leaseholders) of a property. 100% leaseholders have a statutory right to extend their lease provided they own a long lease (term more than 21 years).

A good place to find out more about your statutory rights is <http://www.lease-advice.org/>.

3. What are the main principles of this policy?

The main principle of this policy is to ensure that bpha's approach to extending leases is clear, consistent, fair and efficient.

It is also designed to ensure that customers know how we make decisions and how we calculate costs in relation to lease extensions.

4. Under what circumstances will bpha voluntarily extend leases?

bpha will extend a lease for shared owners on a voluntary basis where we are the freehold owner of the property, or where we are leaseholders and our own lease allows us to grant a lease extension. The premium will be based on the current share owned by the customer at the point of extending the lease. Where leaseholders have achieved 100% ownership, the statutory route for leaseholders applies.

The shared owner will pay all the associated costs of extending the lease, including the lease extension premium, RICS valuations, processing fees and legal fees (including bpha's legal fees).

bpha will offer to extend the lease for shared owners by 50 years for houses and 90 years for apartments, or if the upper limit of these terms is not possible, by the maximum term available

on the property.

The leaseholder will be responsible for paying a premium for the lease extension which will be calculated by a specialist valuer who is independent and certified by the Royal Institute of Chartered Surveyors (RICS). The lease extension premium will be based on the **actual percentage** the leaseholder owns at the point of extending the lease. The valuation for the lease extension premium will assume that there are more than 80 years left on the lease.

Marriage value is the additional market value that is created by extending a lease that is considered to be low (typically 80 years). Shared owners are not required to pay marriage value.

For leaseholders who do not own 100% of their property (shared owners), any increase in value caused by extending the lease will not be included as an improvement for future staircasing as the premium cost has only been calculated on the basis of the share owned at that time.

5. How can further support, advice and assistance be obtained?

We are committed to providing customers with support, advice and assistance. You can find out more information about Lease Extensions on our dedicated homeownership page <https://www.bpha.org.uk/living-in-my-home/home-ownership/>.

If you are a 100% leaseholder and want support with a statutory lease extension, please visit www.lease-advice.org.

Should you wish to discuss extending your shared ownership lease voluntarily, please contact us by either calling 01234 674 070, emailing homeownership@bpha.org.uk, or by raising a request via your mybpha portal.

If customers have a vulnerability or require an adjustment to our services, we offer support in line with our Customer Reasonable Adjustment Policy and/or our Vulnerability Policy.

6. How will this policy be communicated to customers?

This policy will be made readily available and easily accessible on the bpha website.

7. What legislative and regulatory requirements is bpha required to consider?

This policy is supported by and informed by The Leasehold Reform Housing and Urban Development Act 1993, The Leasehold and Freehold Reform Act 2024 (LAFRA), and Homes England's Capital Funding Guide.

This policy supports the delivery of the Regulator of Social Housing's Consumer Standards: Transparency, Influence, and Accountability Standard.

This policy is supported by our Equality, Diversity and Inclusion Strategic Plan.

8. How will this policy be monitored and reviewed?

This policy will be reviewed every two years or sooner if there is new legislation for lease extensions.

The success of this policy will be monitored by the Assistant Director – Marketing and Sales, it will be measured by the fee income generated to ensure bpha remain financially viable, and customer feedback for customer service, such as satisfaction surveys. Lease extensions and policy matters will be reported through the Development and Sales leadership meetings.

Policy Number	Approved by	Date Approved	Policy Owner
SD027	ELT	March 2026	Assistant Director – Marketing and Sales