

Guide to Buying a Park Home





“We found IBB provided an excellent service, always professional, polite and courteous.”

- Park home client, Kent

Guide to buying a residential park home

Introduction

Congratulations! By choosing to buy a residential park home you are joining over 200,000 occupiers who already live on parks around the country. Park home living can be a very rewarding experience, and choosing the right solicitor for your purchase will help ensure you make the best start in your new home.

The main difference between buying a park home and a traditional “bricks and mortar” property is that with a park home you will not own the land on which the park home is sited. You will enter into a licence agreement with the park owner which sets out the terms under which you will be allowed to live on the park.

While many park home buyers choose not to use a solicitor to buy their park home, the law in this area can be complicated and an experienced solicitor will give you the reassurance and peace of mind that things have been done properly.

In this guide we explain in practical terms what you, your proposed seller and the park owner must each do in order to comply with the law when purchasing a park home. We explain the purpose of the various forms that need to be completed and what information must be provided. We also explain how the procedure differs depending on what type of agreement you are taking over.

If you have any questions about the information in this guide, or would like to know more about our services generally, please contact a member of the team. We are always happy to help!

Meet our team



John Clement
Partner



Morgan Wolfe
Solicitor



Jessica Sutherland
Paralegal

Assignment of an Existing Agreement

If your occupation agreement began prior to 26 May 2013 and has not been assigned since that date, it will be an Existing Agreement and the following procedure should be followed:

1

Once you've made an offer on a park home and it has been accepted, the seller must provide you with the following documents **at least 28 days** before your anticipated date of completion, unless you agree to a shorter period being given*:

- the occupation agreement/written statement;
- a copy of any previous assignments of the written statement;
- the park rules;
- written details of charges for utilities and services supplied to the home, when they are due and when they will next be reviewed;
- written details of any other charges relating to the home or park, including charges for the use of a garage, parking space or outbuilding;
- a copy of any current warranty for the home, and
- a copy of any surveys of the home, base or pitch which the seller had carried out in the past year.

* If the seller is unable to provide any of the documents listed above, they should explain to you in writing why this is the case.

2

In addition to the documents listed at **Step 1**, the seller must provide the following **at least 28 days before completion**, unless you agree to a shorter period being given:

- the proposed sale price of the park home;
- details of the commission (normally 10% of the sale price) payable to the park owner on completion of the sale;
- details of the pitch fee, including when it is payable and the annual review date;
- details of any pitch fee arrears and any agreement which the seller has with the park owner for clearing the arrears;
- the council tax band for the park home;
- the name of the park owner and the address where any notices may be served;
- the name and address of the local authority which licenses the park;
- the date when the agreement started and, if the seller was not the original owner, the date when the agreement was assigned to the seller;
- an explanation of the assignment process and the effect of any Refusal Notice or Refusal Order on the prospective sale;
- a statement that the seller is the legal owner of the park home, that the home will be vacant upon completion and that there are no outstanding loans relating to the home; and
- details of any legal proceedings relating to the home, agreement or park in which the seller is involved at the time when the information is provided.

3

The information referred to in **Step 2** must be provided on the **Buyer's Information form**. This and other forms listed in this Guide can be downloaded for free from the government website: www.gov.uk/park-homes-guidance

Both you and the seller must also complete a **Notice of Proposed Sale form** which the seller must send to the park owner **at least 21 days before completion**.

If the park owner objects to the proposed sale and assignment, they must, within 21 days of receiving the Notice –

- apply to the First Tier Tribunal (Property Chamber) for an Order to prevent the sale and assignment from going ahead (known as a Refusal Order), and
- inform the seller in writing that they have done so.

If the park owner does not take both steps by the end of the 21-day period, your purchase can go ahead.

The park owner can only object if they think that you, or someone who intends to live with you –

- do not meet any minimum age limit on the park;
- want to keep animals which are not allowed on the park;
- want to park vehicles of a type which are not allowed on the park; or
- want to park more vehicles on the park than are allowed.

4

Immediately prior to completion, you and the seller will exchange signed copies of the **Assignment form** which effects the transfer of occupation rights from the seller to you.

On completion you will pay the seller the agreed sale price, less the 10% statutory commission. **Within 7 days of completion** you must send the park owner a **Notice of Assignment** which sets out:

- your name and the name(s) of anyone else who intends to live in the park home with you;
- the address of the park home;
- the date of assignment of the agreement;
- the price paid for the park home and the amount of commission payable to the park owner; and
- the seller's forwarding address.

After receiving the Notice of Assignment, the park owner should provide you with details of the bank account where they want the commission to be paid. You have **7 days** from receipt of these details to pay.

Make sure that you keep all of the signed forms in a safe place for future reference.

Assignment of a New Agreement

Where the occupation agreement being assigned began after 26 May 2013, or has been assigned since that date, it will be a New Agreement.

To purchase a park home and take an assignment of a New Agreement you and your seller will need to follow all of the steps set out in this guide, except for step 3 (in relation to the Notice of Proposed Sale form), which only applies to Existing Agreements.

Why use a Solicitor?

Although there is no obligation to do so, we would recommend using an experienced solicitor who can guide you through the process, deal with any difficulties that may arise and ensure that your purchase is as smooth and stress-free as possible.

Why choose IBB?

IBB's reputation is built on more than 20 years' experience in the park homes sector. You can trust us to provide clear, reliable, timely and cost-effective advice.

What can IBB do for you?

If you are buying a residential park home, we will:

- review the documents provided by the seller and explain the effect of the written statement and park rules
- check that the park is licensed for full residential use
- ensure all required forms are completed and served in time
- liaise with your seller (and their solicitors), estate agents and the park owner to ensure everything is in order
- deal with the assignment of the written statement on completion
- ensure that the purchase monies and commission payments are transferred safely and securely

What will it cost?

We offer a range of competitively priced, fixed-fee service options designed specifically for park home buyers.

Our Service Levels

Gold - £900 + VAT

We will review and advise on the key transaction documents, including the written statement, park rules and site licence. We will obtain and review the Land Registry office copies for the site and make enquiries of the local authority in order to flag any problems relating to flooding, non-compliance with site licence conditions, planning permission or enforcement action. If any issues are identified, we will advise on how these could affect your use and enjoyment of the pitch and site. We will liaise with your seller, their agents and the site owner in relation to the transaction and complete and send all required forms. We will also ensure safe and secure transfer of funds to the seller and park owner.

Silver - £700 + VAT

Our most popular service, we will review the key transaction documents, including the written statement, park rules and site licence. We will also obtain and review the Land Registry office copies for the site. We will liaise with your seller, their estate agent and the site owner in relation to the transaction and complete and send all required forms. We will also ensure safe and secure transfer of funds to the seller and park owner.

Bronze - £500 + VAT

We will review the written statement, park rules and site licence (which you will need to obtain and provide to us) and send you a report identifying any potential problems. We will send you blank copies of the forms that you and the seller must complete. The Bronze service is limited to preparation of a report. We will not correspond with other parties to the transaction nor deal with transfer of funds.

PLEASE NOTE: The prices quoted do not include any disbursements, which are fees we are required to pay others on your behalf.

What if things get complicated?

We appreciate that things do not always go according to plan. If issues arise which we anticipate will require more time than provided for under the fixed fee, we will notify you of this before carrying out any additional work.

Can you also deal with my related sale?

Absolutely! IBB's Residential Conveyancing team are on hand to assist with your related sale. Please contact us on **03456 381381** to obtain a free, no-obligation estimate.



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