 Key Sheet 1:

**Service Charge & Ground Rent - 2024**

The 2024 Service Charge for a 1- bed apartment is **£6,786pa**/£565.50 pcm and **£7540pa**/£628.33pcm for a 2-bed apartment.

In addition, there is an annual Ground Rent based, on the floor area of each apartment; Ground Rents are between £199 and £425 per year. The Ground Rent is set by the Landlord, Rusty Shilling Ltd and is fixed for the first 15 years from date of build complete.

The Service Charge will rise in future years to meet the necessary costs of maintaining the development and the services offered. It will be set by the apartment owners themselves through an owners’ Management Company. For details of how this works read Information Sheet 9: *‘Who does what at Honeybourne Gate?’*

The Service Charge includes building and garden maintenance, buildings insurance, communal utility bills, cleaning for the communal areas, window cleaning, 24-hour on-site staffing, 24-hour emergency alarm care system and the cost of 1.5 hours per week of help in your home. You can use the 1.5 hrs per week for cleaning, laundry or put it towards personal care. The Service Charge does not include Council Tax, contents insurance, telephone, broadband, television subscriptions, nor water and electricity charges for your own apartment. You also will have to meet the cost of maintaining the interior of your own apartment.

The Service Charge has to be paid, even if you are not occupying your apartment, for example - you have put it up for sale and have moved. This is because the Service Charge pays for services that are fixed and which do not reduce in cost if fewer people are in residence. (This would mean that if any apartment owner is allowed not to pay the Service Charge, then the remaining owners would have to make up the difference). However, when an apartment is vacant and being actively marketed, we will try to be helpful and defer the payment of the Service Charge until the proceeds of the sale are received, although this flexibility cannot be guaranteed.

The Service Charge includes many items that you would have to pay for separately if you were not living at Honeybourne Gate. In addition, if you need some support with day-to-day living, you may be eligible for Attendance Allowance. This could be used towards off-setting the Service Charge. Attendance Allowance is a non-means tested and a non-taxable benefit that the Government pays to help people with the additional cost of living as they get older and need extra help with day-to-day living. For 2023/24 the amount is £68.10 or £101.75 per week, depending on the level of support you need – on-site staff will be happy to assist Honeybourne Gate residents to apply.

**The obligation to pay the Service Charge and Ground Rent are key terms in the apartment lease and it is important that you discuss these charges with your Solicitor and advisors to make sure you understand your legal obligations. It is also a good idea to make sure that anyone who may have to handle your affairs in the future knows about them.**

Signature & Date: ………………………………………………………………………………………………