

# A Complete Guide to Shared Ownership

INTRODUCING THE SHARED OWNERSHIP SCHEME

sales@platformhg.com | platformhomeownership.com

# Become a Home Owner Through Shared Ownership

3	INTRODUCTION TO SHARED OWNERSHIP
4	THE NEW SHARED OWNERSHIP MODEL
5	HOW IT WORKS
6	ELIGIBILITY
7	THE SHARED OWNERSHIP PROCESS
8	COST OF BUYING
10	BUYING MORE OF YOUR HOME
11	SELLING YOUR HOME
12	CONTACT US

A couple is shown from behind, embracing in front of a brick house. The woman is wearing a striped shirt and the man is wearing a white shirt. The house has multiple windows and a gabled roof.

# Taking The First Steps

## TO OWNING YOUR OWN SHARED OWNERSHIP HOME

Shared Ownership is a fantastic opportunity if you're unable to purchase a home on the open market. It allows you to buy a share in a property on a part buy/part rent basis and pay a subsidised rent on the part that you don't own. Over time, you can purchase more shares in your property – this is called 'staircasing'. This can be done at any time after initial purchase and it will reduce the amount of rent you pay as the share of the home that you don't own will be smaller.

We will offer shares for sale normally between 10-75%\* (depending on which model you are purchasing under) of the property depending on how much you can afford. The bigger the share you buy, the less rent you have to pay. You will need to be able to raise a mortgage for the share you want to purchase unless you have sufficient money to enable you to purchase without a mortgage. Any deposit you pay will be smaller than if buying outright as you will be purchasing a share of your home. The combined cost of mortgage and rent is often cheaper than privately renting in the area.

# The New Shared Ownership Model

A new programme has been introduced for new homes delivered under the new funding programme.

Whilst we continue to deliver homes using the standard model, there will be a transition period in which both models will be available for some time. Therefore the model you purchase under will be subject to the development and property you choose to purchase.

Please refer to your Sales Consultant to confirm which model you're purchasing under.

## Key Changes

- The minimum initial share purchase is being reduced from 25% to 10%
- There will be a 10 year repair period for essential repairs which the landlord is responsible for
- Lowered the minimum staircasing amount from 10% to 5% and introduced a 1% gradual staircasing model enabling you to purchase smaller shares each year
- A reduction from 8 week nomination period to 4 weeks enabling greater control for those looking to re-sell their existing shared ownership home
- A 990 year lease term

Shared Ownership Model	Standard Model Shared Ownership	New Shared Ownership Model
Minimum initial share	25%	10%
Lease length	Lease for a minimum of 99 years from new but typically at least 125 years	Lease will be for a minimum of 990 years from new
Initial repair period	No	Yes
Buying more shares - Minimum purchase	10%	5%
1% share purchase	No	Yes
Landlord's nomination period	8 Weeks	4 Weeks

# How It Works

# 1

## **BUY THE FIRST SHARE IN YOUR BRAND NEW HOME**

Buy your initial share in your home, starting with the amount that is affordable to you. Typically shares are between 10% or as much as 75% of your home. (Depeding on which model you've purchased)

# 2

## **PAY RENT ON THE REMAINING SHARE**

The remaining share that you don't own, is owned by Platform Housing Group. You will pay a subsidised amount of rent on this share of the property.

# 3

## **BUY MORE SHARES IN YOUR HOME LATER**

As your financial circumstances change over time, or your savings increase, you can buy a larger share in your home, until eventually you own all or more of your home.

# Shared Ownership Eligibility

## SHARED OWNERSHIP IS AVAILABLE TO THOSE WHO:

Unable to afford a suitable home on the open market

Have a household income of £80,000 a year or less outside of London

Are assessed as being able to afford and sustain shared ownership.

## IF YOU ALREADY OWN A HOME YOU MUST HAVE:

Formally accepted an offer for the sale of your current home 'sold subject to contract' (SSTC)

A memorandum of sale confirming your sale details

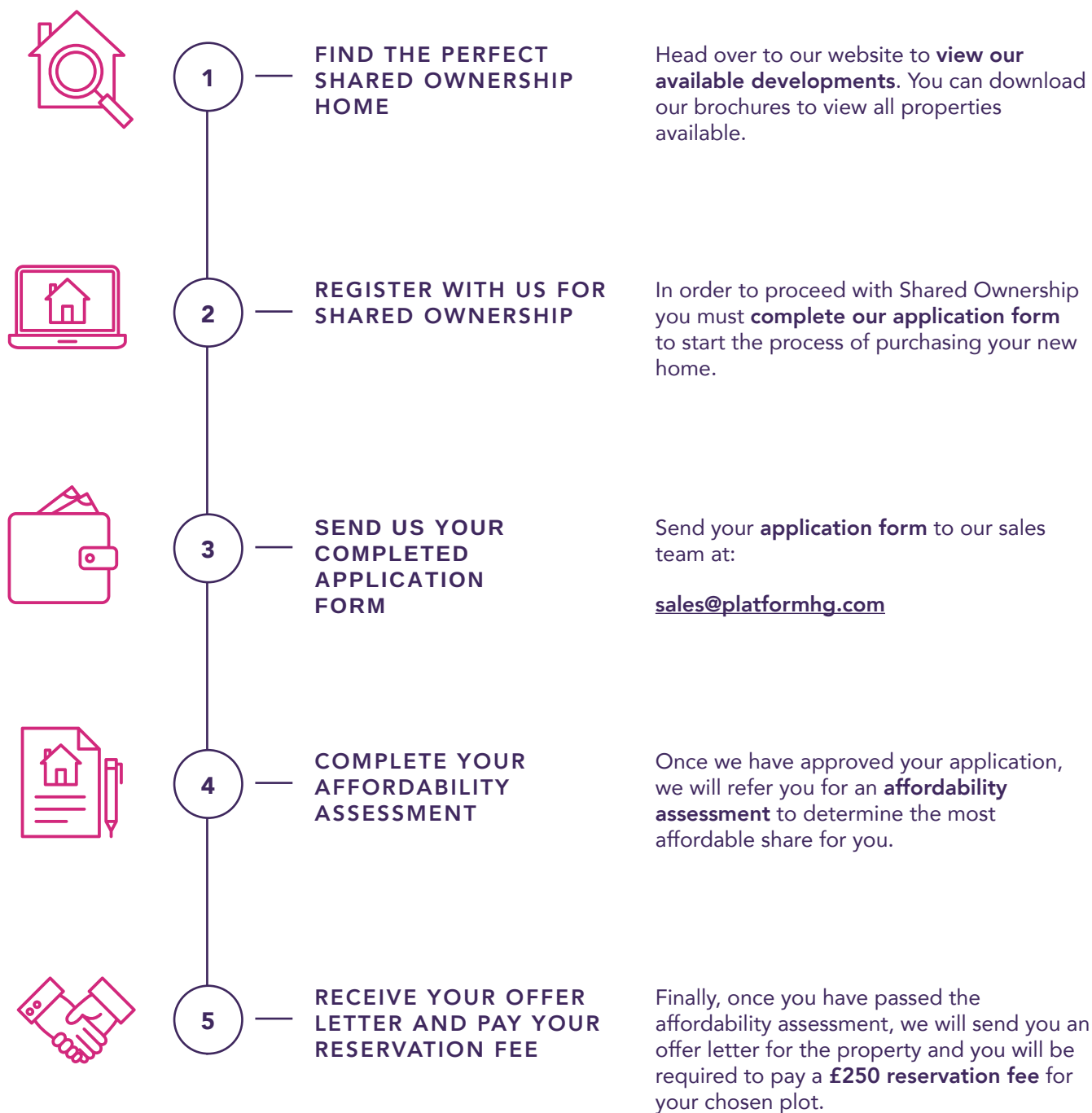
## SHARED OWNERSHIP WONT BE FOR YOU IF:

You can afford to buy outright on the open market.

You cannot afford the monthly costs, you may not qualify financially, we would perform an affordability assessment to check this.

You have County Court Judgements, a history of rent arrears or bad credit.

# The Process



YOU SHOULD BE AWARE OF ALL OF THE COSTS ASSOCIATED WITH BUYING A HOME THROUGH SHARED OWNERSHIP.

Our team are here to help you every step of the way, so if you have any questions or concerns please get in touch and we'll help you through the process.

# Cost Of Buying Through Shared Ownership

To give you an idea of the costs involved when buying a home through the Shared Ownership scheme, we have outlined these below:

## INITIAL COSTS WHEN BUYING

- Legal fees (to your solicitor)
- Valuation fees (for a survey of your home required by your mortgage lender)
- Stamp duty if applicable (check with your solicitor)
- Mortgage arrangement charges (check with your lender)
- Deposit (check with your lender)

## ONGOING (LIVING) COSTS

- Rent
- Mortgage payments
- Service charge (includes building insurance)
- Council tax
- Gas, electricity, water and telephone charges
- Other typical household bills (e.g. TV license, broadband)
- All repairs, decoration and maintenance costs (you would be responsible for these after the initial defects period expires)
- Contents insurance



# Shared Ownership Mortgages

We recommend speaking with an independent financial advisor (IFA). They know which lenders are currently providing the best deals and will help you ensure that your monthly outgoings are affordable.

Please note we're unable to accept 100% mortgages, you will therefore require a minimum of 5% deposit.



# Buying More of Your Shared Ownership Home

Yes, you can increase your share at any time. This is known as 'staircasing'. Each time you increase your share, your rental payments will be reduced. Please note, if you pay for your additional share with an increased mortgage, your monthly mortgage repayments may go up.

You do not have to increase your share, it is entirely up to you. Shared Ownership is flexible and allows you to choose if and when you want to increase your level of ownership. In most cases, you will be able to staircase up to 100% and own your home outright, obtaining the freehold (excluding apartments, which will remain leasehold). In rural Shared Ownership properties, it may only be possible to staircase to a maximum of 80% this will be indicated at the time of purchase.

[LEARN MORE ABOUT STAIRCASING >](#)



# Selling Your Shared Ownership

## WHEN THE TIME COMES FOR YOU TO SELL YOUR HOME

We have a dedicated resales team to help run through the options with you. You must also notify your lender. We have a dedicated resales team, they will be able to run through the options with you. If you decide not to use our resale service, then you may sell your property on the open market with a local estate agent. Any prospective purchaser must use our application form, pass an affordability assessment to ensure they can afford the property and also comply with the qualifying local criteria if applicable.

Shared owners find selling their home just as easy as if they were selling outright.

## WHO BENEFITS FROM ANY INCREASE IN VALUE WHEN YOU SELL

You, as the customer, benefit from any increase in value of the property according to the share you own. If the value of your home had increased by £5,000 and you owned 50%, your share of the increase would be £2,500 as we own the other 50%.

Property prices can fall as well as rise. If this happens, you will bear a share of the loss along with us.

[LEARN MORE ABOUT SELLING YOUR HOME >](#)

# Ready To Buy Your Dream Home?

If you're ready to get started with Shared Ownership and have any questions, please contact our Sales Team.

[SALES@PLATFORMHG.COM](mailto:SALES@PLATFORMHG.COM)

[PLATFORMHOMEOWNERSHIP.COM](https://www.platformhomeownership.com)

0333 200 7304



[PlatformHomeOwnership](https://www.facebook.com/PlatformHomeOwnership)



[Platformhomeownership](https://www.instagram.com/Platformhomeownership)



[PlatformNewHome](https://www.twitter.com/PlatformNewHome)