

# SHARED OWNERSHIP



## 1. What is Shared Ownership?

Shared Ownership is a Help to Buy low cost home ownership product and a fantastic opportunity for people who wish to buy a property but cannot afford to buy outright.

Shared Ownership enables you to buy a share in the home (generally the initial percentage of purchase is 50% of the current open market value) via a mortgage or savings and you pay a reduced rent on the part you do not own.

You may increase your level of ownership in the future through a process known as 'staircasing' as you can afford to, with rent being adjusted to reflect this.

In some cases you may even buy outright after as little as 1 year of occupation, although there are some restrictions on rural schemes.

Broadland has Shared Ownership homes available across Norfolk and North Suffolk which are newly built or resales from existing Shared Ownership stock.



## 2. Am I eligible?

Applicants must be registered with Radian housing association, the Help to Buy Agent for the East and South East. To register online, please visit: [www.helptobuyagent3.org.uk](http://www.helptobuyagent3.org.uk) or contact them on tel: 0800 456 1188.

To qualify for Help to Buy Shared Ownership you will need to meet the following criteria:

- Your annual household income can be no more than £80,000.
- You should be unable to purchase a home suitable for your needs without assistance.
- You cannot be a current home owner (or be named on the deeds of another property).
- You must not have any outstanding credit issues (i.e. unsatisfied defaults or county court judgments).

Radian are a Registered Social Landlord appointed by the Homes & Communities Agency, the national housing and regeneration agency for England, that provides a one stop shop service to people interested in any of the Help to Buy schemes available across the East and South East. Radian will process your Help to Buy application to determine initial eligibility for the Help to Buy schemes. If you are eligible for a Help to Buy product, Radian will keep your details on a central register and make them available to other providers that have Help to Buy schemes available in the East and South East.



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Shared Ownership is designed to assist first time buyers to get a foot on the property ladder, but is also available to assist those who need to buy a property in a situation such as a relationship breakdown or where your household has outgrown existing arrangements.

Priority will be given to applicants who are serving military personnel.

Some properties may require you to have a local connection to the area where you are interested in purchasing a Shared Ownership new home.

### 3. Can I afford it

A bank or building society will be able to determine your mortgage eligibility and it is recommended that you seek independent financial advice prior to applying for a property to see how much you will be able to afford to borrow.

The Association will carry out an affordability check based on your borrowing and savings. Affordability approval cannot be granted if more than 50% of your household income is utilised to pay mortgage repayments, rental and service charge costs and any existing loans.

### 4. What expenses will I be responsible for?

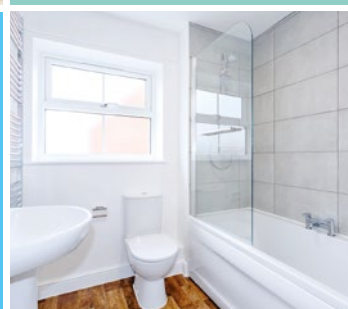
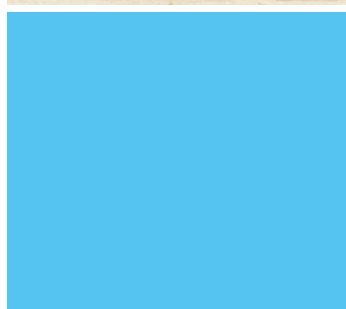
You will need to be able to cover the following expenses

- mortgage fees/repayments
- rental and service charges
- legal and valuation fees
- stamp duty (please seek independent legal advice)
- household bills – utility bills, council tax, contents insurance
- future repairs and maintenance to the property

### 5. Who pays for repairs and ongoing maintenance in a new home I may buy?

It is your responsibility to repair and maintain your new home, including servicing your boiler annually. Our New Build Shared Ownership homes come with a guarantee that will cover defects in your home for the first year of occupation. This guarantee covers defects in the builder's workmanship only. This does not apply to resales or purchases via the intermediate rent route.

*\*Responsibility varies depending on your lease, please check.*



### 6. Can I buy additional shares?

If you buy a Shared Ownership property you can increase your ownership at a later stage and in some cases you may be able to own the property outright. This is called 'stair-casing'. Many people who buy affordable homes eventually stair-case to become 100% owners depending on the property. You will need to notify the Association in writing of your intention to staircase and you will be responsible for any valuation or legal fees incurred during this process. *\*Costs associated, the maximum you can staircase and the number of increments varies per lease, please check.*

### 7. What happens if I wish to sell my share of the property?

You are required to notify Broadland Housing in writing of your wish to sell. The Association will then have a period of time to find a nominated purchaser as contained in your Lease and has to approve any new purchaser for affordability and housing need. An independent open market valuation will need to be carried out for which you will be responsible for fees incurred as well as legal fees in connection with the sale. The percentage of the sale price you receive is equal to the percentage of the property you own at the time of sale and depending on market conditions may be more or less than you originally paid. Please note that you will also be required to provide a valid Energy Performance Certificate which are valid for 10 years when marketing the property.

