

What Is Help To Buy Shared Ownership

YOUR GUIDE TO NEW BUILD SHARED OWNERSHIP

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Take the first step 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 25–75% 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 not be purchasing the whole of the home. The combined cost of mortgage and rent is often cheaper than privately renting in the area.



How it works...

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 25% or as much as 75% of your home.

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.

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:

- Can't afford to buy 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

You must have completed the sale of your home on or before the date you complete your shared ownership purchase.

Shared Ownership won't 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.
-

How to apply

Visit our **website** to view our available developments and properties.
You will then need to register with the relevant Help to Buy Agent:

North of England

Help to Buy Agent 1

Contact Agent >

Midlands & London

Help to Buy Agent 2

Contact Agent >

South of England

Help to Buy Agent 3

Contact Agent >



The Shared Ownership Process



1

Find the perfect Shared Ownership home

Head over to your website to **view our available developments**. You can download our brochures to view all properties available.

[Find a home >](#)



2

Register with Help to Buy for Shared Ownership

In order to proceed with Shared Ownership you must **register with your local Help to Buy agent** to start the process of purchasing your new home.

[Find an Agent >](#)



3

Send us your approved Help to Buy application

Once you have been approved for Shared Ownership, send your **application form or Help to Buy reference** to our sales team at:

sales@platformhg.com



4

Complete your affordability assessment

Once we receive your Help to Buy approved application, we will refer you for an **affordability assessment** to determine the most affordable share for you.



5

Receive your offer letter and pay your reservation fee

Finally, once you have passed the affordability assessment, we will send you an offer letter for the property and you will be required to pay a **£250 reservation fee** for your chosen plot.



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 cost involved when buying a home through the Shared Ownership scheme we have outlined costs that you will have to pay. Some of these costs you will only have to pay once, others regularly, usually monthly.

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)
- Contents insurance
- Council tax
- Gas, electricity, water and telephone charges
- Other normal household bills (e.g. TV license, broadband)
- All repairs, decoration and maintenance costs (you would be responsible for these after the initial defects period)

Shared Ownership Mortgages

It is usually worth speaking to 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 your mortgage must be with a high street lender and 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'. You must increase your share by at least 10% of the total market value of the property at that time. 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 home



When the time comes for you to sell your home

Keep talking to us. You must also notify your mortgage 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 be approved with the relevant Help to Buy Agent, pass an affordability assessment to ensure they can afford the property and also comply with the qualifying local criteria if applicable.

In general, shared owners find selling their home no more complicated than it would be if they owned it 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 >](#)

Your Shared Ownership questions, answered.



Can I alter my home?

In a majority of cases, yes, minor alterations are not a problem. For any major alterations, you would need to obtain written consent from Platform, you may also need permission from your mortgage lender and planning/buildings regulations adhered to. You will pay for all costs of any alterations. If you sell your home, you will only benefit from your share if there is any increase in value.

Am I responsible for repairs, decorating and maintenance?

Yes, as a Shared Ownership customer, you are usually responsible for repairs, decoration and maintenance of your home and for any costs. If you live in an apartment, we will look after the maintenance of the communal areas and will charge you a service charge to cover the cost. If you purchase a new build property, you will benefit from a defects period with us for 12 months from the build completion date. You will also benefit from a 10 year build warranty.

Can I sub-let my home?

Sub-letting is not usually allowed as per your lease agreement, however exceptional circumstances will be considered. We need to provide written consent and you will also require consent from your mortgage lender.

What size property can I have?

There are no longer any property size restrictions for shared ownership. If the number of applicants is greater than the number of properties available, we will consider applications who meet the criteria in priority need order.

Do I share my home with someone else?

You will not share your home with a stranger, the term 'Shared Ownership' is used to refer to the relationship between you and us (Platform) as we own the remainder of the property. It is your home to live in how you wish.

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
Platformhomeownership.com

 **0345 450 3995**

