

What is Shared Ownership?

Shared Ownership is one of a number of government schemes designed to help people in housing need who are unable to afford to purchase a property in the open market. Shared Ownership works by allowing eligible individuals to part-rent, part-buy a property. The share that you buy is held by you under a shared ownership lease. You must be able to demonstrate that you meet the eligibility and affordability criteria for Shared Ownership (see below).

Who is eligible

You will only be eligible for Shared Ownership if you meet all of the following criteria:

- Your household income is less than £60,000 per annum.
- You are unable to purchase a property suitable to meet your needs on the open market.
- You can demonstrate that you are able to afford a shared ownership property. This includes having a deposit sufficient to obtain a mortgage to purchase your share, and being able to afford the running costs of your home in the longer term.
- You are not already a homeowner or named on a home mortgage.
- If you are a tenant of a housing association, you must not be in rent arrears or in breach of your current tenancy agreement at the date of your application.

Priority for shared ownership housing goes to existing social tenants and serving military personnel, followed by other suitable applicants. 'Suitability' is assessed on a case by case basis but may include factors such as family size, number of bedrooms, access to services and/or support needs.

Affordability

- When you register with the Help to Buy Agent for the area (see below), they will undertake an initial affordability assessment and provide you with an indication of the maximum mortgage you should seek.
- We will look at this information when undertaking our own assessment of your ability to afford your home. We will take into account your savings, earnings from employment and your anticipated running costs when making our assessment. You will be asked to provide evidence of your financial position as part of your application for a property.
- You will be encouraged to buy the maximum share in your property that you can afford and sustain based on the assessment made by the Help to Buy agent. The minimum share you can purchase is 25%.
- You may also need to pay Stamp Duty Land Tax, if applicable, on your purchase and need to add this to the price of your share.

New to shared ownership and buying for the first time?

- In order to access shared ownership properties you should register with the Local Help to Buy Agent for your area. For Bristol and South Gloucestershire, this is Help to Buy South (www.helptobuysouth.co.uk or 0845 604 1122) and you can register online.

Shared ownership factsheet

- Once you have registered and been approved for shared ownership, you will be able to browse the properties in your area and apply for any that you feel are suitable.

Existing shared owners wishing to buy further shares

- Most shared ownership leases allow the shared owner to buy further shares ('staircase') up to 100% ownership of the property.
- If you wish to buy further shares in your property, you should write to us stating the share you wish to buy (the minimum additional purchase is 10%).
- We will ask an independent valuer to assess the market value of your home. This valuation will exclude any major improvements you have made to your home. You will have to pay the valuation fee regardless of whether you proceed to purchase further shares in your home.
- Based on the valuer's report, we will write to you to confirm the cost of the additional share you wish to buy. We will also notify you of the change in your rent as a result of your purchase should you proceed.
- Once you have notified us that you wish to proceed, we will need to ensure that your property has been released from mortgage to any of our lenders (if necessary).
- You have 3 months from the date that we notify you of the value of the share in which to pay for it.
- We will send to you a completed 'Memorandum of Staircasing' to evidence your purchase of further shares.
- You need to factor in the costs of higher mortgage payments and solicitors fees when considering buying additional shares in your home.
- If you are staircasing to 100% ownership, you may wish to sell your property at the same time or in the future. There may be restrictions on who you are able to sell your property to for a period of time following your purchase. This will depend on the specific wording in your lease.

Existing shared owners wishing to sell their share

Your lease will give us as the landlord the right to nominate a buyer for your home within a certain period, usually 4 to 8 weeks, called the 'nomination' period. During this time we will refer your sale to Knightstone Housing (our Agents), who handle shared ownership resales on our behalf. Once you have notified us and we have referred your sale to them, they will write to you confirming the process to be undertaken. You will need to commission a valuation of your home from a Member or Fellow of the Royal Institution of Chartered Surveyors and provide a copy to our Agents. You also need to obtain an Energy Performance Certificate for your home, which is a legal requirement in order to market your property.

Our Agents will market your property during the nomination period and seek to find eligible buyers from the HomeBuy list. If, after the nomination period has ended, no buyer has been found, you will be able to market your property on the open market through an estate agent. The property must be advertised as a shared ownership property and we must approve the prospective purchaser before solicitors are instructed (all purchasers must meet the criteria listed under 'Eligibility' above). We must also approve the buyer's mortgage.

