



Guide to Shared Ownership



SO Living is part of Plymouth's largest affordable housing provider, Plymouth Community Homes. We specialise in providing homes and communities where people can thrive, and take into account energy efficiency, sustainability, transport links and shops - to name but a few things when we design our homes.

What is Shared Ownership?

- Shared ownership is an affordable home ownership scheme set up by the government to help people become homeowners if they cannot afford to buy a property on the open market.
- The scheme enables you to buy a share of a property and pay rent on the share retained by the housing association.
- Shared ownership allows you to buy a share of between 25 and 75 percent of the full property value.
- The bigger the share that you purchase, the less rent you will pay on the remaining share.

Am I eligible?

Applicants must:

- Be aged 18 or over.
- Have an annual household income of £80,000 or less.
- Be first time buyers – or people who used to own a home but can't afford to now.



How do I apply for shared ownership?

The first step into shared ownership is to apply to Help to Buy South West. They will assess your eligibility for the scheme.

You can apply online at helptobuysw.gov.uk or telephone **0300 1000021**.

Please note: If you are an existing home owner you may not be accepted onto the shared ownership scheme straight away and may need to seek further permission from the Housing Services Department at Plymouth City Council. You can call them on **01752 668000**.

Applying for a mortgage

You can buy your share of the property either with a cash payment or through obtaining a mortgage. We like you to speak to a financial advisor at Warren & Co Solicitors about your eligibility for a mortgage. You can call them for a free consultation on **01452 547783**.

Affordability Assessment

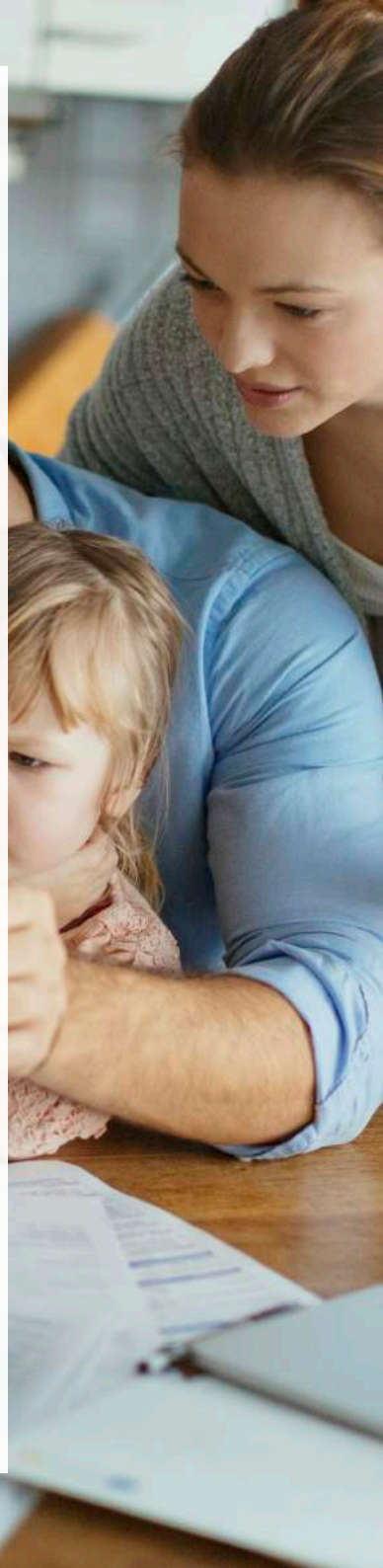
Once you have viewed and chosen a property, we will carry out an affordability assessment to make sure that you can afford the rent payments and mortgage payments (where appropriate).

Affordability assessment

To carry out the assessment, you will need to provide us with:

- Last 3 monthly or 12 weekly wage slips
- Last 3 years' accounts (SA302s) if you are self-employed
- Last 3 months' bank statements
- A mortgage in principle, including Key Facts document
- P60 relating to your current job
- Photo ID
- Proof of savings to fund your deposit, legal fees and reservation fee
- Letter confirming permanent employment
- Copies of tax credits/benefits (if applicable)
- Copy of current tenancy agreement (if applicable)
- Copy of any loan agreements and the amount outstanding including credit cards
- Help to Buy South West application form
- Existing homeowners will need to provide a letter from their solicitor stating that the property is sold subject to contract and confirming the mortgage redemption figure.

We will consider your income and expenditure to make sure that all payments on your intended home are affordable.



Your offer and reservation

Once we are happy that you can afford to buy your chosen home, you will receive a formal offer letter from the sales officer.

You should carefully read and return all requested documents, before contacting the sales team to pay your £500 reservation fee.

Instructing a solicitor

You will need to instruct a solicitor to carry out the conveyancing process. You will find a list of suggested solicitors on back page. Your solicitor tell you what information they require.

We will instruct our solicitor to carry out the conveyancing for the sale of the property.

Once solicitors are instructed, they will talk to each other about the selling and buying process.

Terms of lease

Once you have completed on the purchase of your new home you will be issued with a lease which covers the terms for the remaining share of your property. Only people named on the mortgage should be named on the lease.

How much will it cost?

You will need:

- £500 reservation fee to secure the property with SO Living.
- Deposit towards your mortgage of between 5% and 20% of the amount you are borrowing.
- Mortgage arrangement and valuation fees. The amount will depend on the lender. Alternatively you will need a cash payment to cover the share of the property you are buying instead of taking out a mortgage.
- Solicitors fees for buying the property can range from £800 to £1,500 depending on the solicitor.
- Moving costs and funds to furnish your new home.



How much will I pay each month?

Each month you will pay:

- Your mortgage payment towards the percentage share that you own.
- Your rent and service charge payment towards the percentage share still owned by Plymouth Community Homes. This amount is reviewed annually.

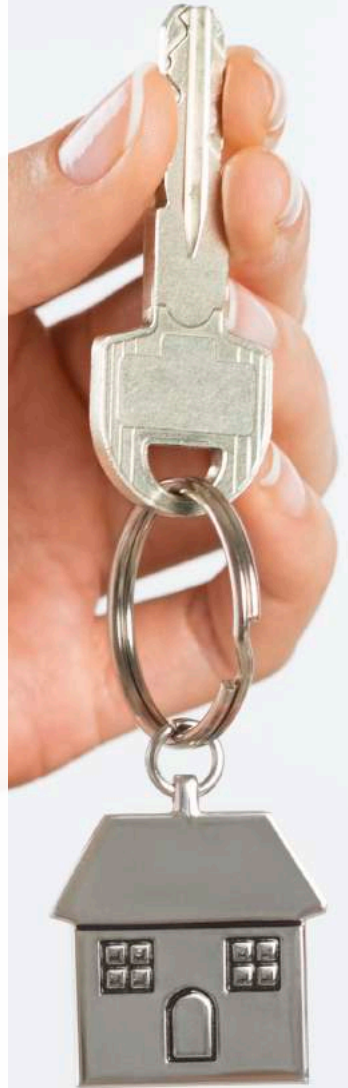
Please note: The amount you pay towards your mortgage each month will depend on the size of the share that you buy and the interest rate on your mortgage agreement.

If you buy a share outright, you will only have your rent and service charge to pay each month.

Completion day

Your solicitor will agree a completion day with you.

On this day, a member of the sales team will meet you at the property to welcome you to your new home, hand you your keys and give you your property information pack.



FAQ's

What is the £500 reservation fee?

The £500 reservation fee gives you reassurance that the property is reserved in your name and will not be offered to anyone else. On completion the £500 is credited to your rent account. Once you've paid the reservation fee, it's non-refundable, even if you withdraw from the sale.

Can I buy more shares in my home?

Buying more shares in your home is known as staircasing. You can do this at any time once you have completed on the initial purchase. Please ask for our 'Guide to staircasing' for more details.

Can I sell my shared ownership home?

Selling your shared ownership home is known as a 'resale'. You can do this at any time and SO Living will assist you with this. You will be selling the share that you own and not the entire property. There are fees associated with selling your home. Please ask for our 'Guide to selling a resale property' for more details.

Can I make adaptations to my home?

You must ask permission from Plymouth Community Homes before making any adaptations or alterations to your home. Please ask for the 'PCH Adaptations Policy' for details.

Can I own a pet at my home?

You must ask permission from Plymouth Community Homes before deciding to take a pet into your home. Please ask for the 'PCH Pets Policy' for details.

Can I decorate my home when I move in?

Brand new homes are covered by a 12 month defect period from the date that it is completed by the builder. You are advised not to decorate your home until this period has ended as this could invalidate your defect agreement.

How do the PV panels work?

The purpose of PV panels are to provide additional energy from a renewable source i.e. the sun. To benefit from your PV panels, you should use electrical items during daylight hours. The PV panels will use sunlight as an additional energy source, helping to reduce your fuel bills.

There is more information about how PV panels work on the PCH website.

Who carries out repairs in my home?

As the homeowner, you have a 'fully repairing lease' which means you are responsible for carrying out all repairs in the property.

New build properties

If your property is a new build, it will be under a 12 month defect agreement from the date it is completed by the builder. New properties are also issued with a 10 year warranty from the date of completion. Please speak to us for more details about this.

What does my service charge cover?

Your service charge includes your building insurance and a contribution towards the management and maintenance of the estate. The charge also includes a contribution towards The Beacon, a community hub built for the residents of North Prospect. The Beacon features a café, library, nursery and convenience store, along with 39 apartments for the over 55s.

Glossary

Shared Ownership

Affordable home ownership scheme set up by the government to allow people to part buy, part rent a home if they can't afford to buy on the open market.

Mortgage

A legal agreement which allows you to borrow money from bank, building society or similar organisation in order to buy a home.

Financial Advisor

A professional who helps individuals by giving advice on money issues such as mortgages.

Help to Buy SW

A Government appraised Help to Buy agent, which helps people who can't afford to buy a home on the open market.

Help to Buy

A Government scheme to help people take steps towards buying their own home.

Conveyancing

The Legal Process where land or property is transferred from one person to another.

Completion

The final stage in the sale of a property, when it legally changes ownership.

Staircasing

Buying more shares in your home.

Resale

Selling your share of your home.

Details of some solicitors for guidance only

Beers LLP
29 Fore Street
Kingsbridge
Devon TQ7 1AA
Telephone: 01548 857000
DX: 81401

Tozers Solicitors
Broadwalk House
Southernhay East
Exeter Devon EX1 1UA
Telephone: 01392 207020
DX: Exeter 8322

Natalie Barham
Gard & Co Solicitors
4 Bretonside
Plymouth PL4 0BY
Telephone: 01752 638461
DX: 8253

Emma Twinning
Langley Wellington LLP Solicitors
Royal House
60 Bruton Way
Gloucester
GL1 1EP
Telephone: 01452 521286

Claire Lockhart,
Curtis Whiteford Crocker Solicitors
87-89 Mutley Plain
Plymouth
PL4 6JJ
Telephone: 01752 204444
DX: 120025

Neil Keatt
Thompson & Jackson Solicitors
4-5 St Lawrence Road
Plymouth
PL4 6HR
Telephone: 01752 665037
DX: 8232

Contact us

T: 0800 0778 748
E: so-living@plymouthcommunityhomes.co.uk
W: so-living.co.uk
F: facebook.com/solivingplym
T: twitter.com/SOLivingPlym

Plumer House
Tailyour Road
Crownhill
Plymouth
PL6 5DH