

SO Living

A guide to shared ownership

How to buy a shared ownership home

What is shared ownership?

Shared ownership gives those who can't afford to buy a home outright the opportunity to buy a share of it.

Within this guide we refer to both the Standard Model Shared Ownership lease and the New Model Shared Ownership lease.

When purchasing through the shared ownership scheme, you will become a leaseholder and pay rent on the percentage of the property that you do not own. The amount of rent paid is agreed and fixed at the outset, and there is a maximum amount by which it can increase each year.

Shares can start from between 10%-75% of the home's value, depending on your lease and if the property is a resale home. The more of the property you own, the lower your rental payments will be. SO Living will advertise an example share but other shares are available, although if the property is a resale, you will not be able to purchase a smaller share than what is being advertised. When you become first in line, we will refer you for an affordability assessment. The affordability assessment will ensure the share you buy is suitable based on your individual circumstances and affordability.

Over time you can purchase more shares in your property, also known as 'staircasing'. For new build properties, this can be done after the initial purchase, if the property is a resale this can also be done at the same time as purchasing the property. Staircasing will reduce the amount of rent you pay as the share of the home that you own increases and the share you do not own decreases.

You can buy a shared ownership home with cash or by taking out a mortgage and using your savings. Any deposit you pay will be smaller than if buying outright as you will not be purchasing the whole of the home.

Please remember, your home may be repossessed if you do not keep up your repayments on your mortgage or any loan secured against it.





Who is eligible for shared ownership?

You do not need to be in rented housing, on a local authority waiting list or a first-time buyer to access shared ownership.

If you are a current homeowner and wish to move to a shared ownership home, then you can.

Also, if you buy through shared ownership and need, or want, to move, then you can do so by selling your home and buying another shared ownership property. You must continue to meet the eligibility criteria for shared ownership, including being unable to afford to purchase a suitable home on the open market.

If you own a home currently, either outright or through shared ownership, you will need to have already sold your existing home, or have an offer accepted on it, before you apply for a shared ownership property.

Shared ownership, in England is available to those who:

- cannot afford to buy a suitable home on the open market
- have a household income of £80,000 a year or less
- are assessed as being able to afford and sustain shared ownership

Is this a Government backed scheme?

The Government supports shared ownership and funds lots of shared ownership homes. Shared ownership properties can be paid for directly by housing associations (this is most common), private investors, or some councils, sometimes known as Section 106 properties.

What properties are available for Shared Ownership?

Shared ownership properties tend to be either new-builds offered by housing associations, or resales of existing shared ownership properties.

SO Living is part of Plymouth Community Homes (PCH). PCH is a registered landlord which provides both newly built homes and existing homes for resale. For more information on our available homes, please refer to the SO-living website www.so-living.co.uk

Are there restrictions on where you can buy?

Some shared ownership homes will be limited to people with a local connection to the area (either through work, family or an existing home), known as section 106 restrictions (s106).

These restrictions are intended to make sure that local people in these areas can access affordable housing, in order to remain in the area.

In some cases, you may only be able to purchase up to 80% of the property. This restriction is to make sure that affordable homes developed in rural areas remain as affordable housing for future buyers.

Properties where these restrictions apply will be identified when you search for properties.





Priority for Ministry of Defence personnel

The only group of people that have priority for shared ownership homes are Ministry of Defence personnel who meet one of the following criteria:

- have completed their basic (phase 1) training and they are one of the following:
  - » Regular service personnel (including Navy, Army and Air Force)
  - » Clinical staff (with the exception of doctors and dentists)
  - » Ministry of Defence Police Officers
  - » Uniformed staff in the Defence Fire Service
- are ex-regular service personnel who have served in the Armed Forces for a minimum of 6 years, and can produce a Discharge Certificate (or similar documentation) as proof, where they apply within two years of the date of discharge from service.
- are the surviving partners of regular service personnel who have died in service, where they apply within two years of the date of being bereaved.



Who owns the rest of my shared ownership home?

The remainder of your home will be owned by Plymouth Community Homes. For the part of the home you do not own, you will need to:

- pay rent on it
- agree and sign a lease.

Why do I need to sign a lease?

Although you will own a share of your home, you will remain as a leaseholder. This means that you sign a lease (a contract) with your landlord that sets out the rights and responsibilities of each party and details what you can and can't do.

Having a lease means you've got the right to keep your home for a certain number of years (usually up to 990 years), but the land belongs to PCH. If you buy a resale property, you are purchasing the remaining years left on the original lease that was granted when the property was first sold.

Remember, the lease is a legal agreement. Make sure you read it all. A solicitor is best placed to advise you on the details.

What repairs and maintenance am I responsible for?

You're a homeowner, so it's up to you to keep the place in good condition and fix anything you're not happy with.

If you've got a house, you're responsible for repairs and maintenance inside and outside. If you're living in a flat, you only need to worry about the inside – but you'll probably need to contribute towards the building and grounds via your service charge.

When you purchase a home under the new model shared ownership lease, your property will come with a 10 year initial repair period. This applies whilst you own less than 100% share in the home. If you buy a resale property, you will benefit from the remaining portion of the 10-year period that began when the original lease was granted at the time of the first sale. During this time you will be able to claim costs up to £500 a year from PCH to help with qualifying essential repairs. If the repair can be claimed through product warranties, building insurance or builder warranty, you will be required to do so.

PCH will provide more information on how you can make a claim when you complete on the purchase of your new home but, for ease, you will have two options. You can use a PCH tradesperson or a TrustMark approved tradesperson. We will require you to provide information to us so that we can decide if the claim can be approved or denied. If you choose to use a TrustMark tradesperson, then you will be required to provide additional information to support the claim.

If you do not claim any costs then £500 can be rolled over by one year only, meaning the maximum allowance you can have in a year is £1000, see the table below for breakdown.

Year	Repairs Allowance	Allowance claimed	Allowance remaining	Rollover to following year
1	£500	£0	£500	£500
2	£1000	£250	£750	£500
3	£1000	£750	£250	£250
4	£750	£0	£750	£500

If you purchase a resale home with this lease you will acquire the remainder of the initial repair period, this period does not start again.

Is there a defect period?

If you have bought a new build home then the property will come with a defect period, usually 12 months from the date of handover. The home will also come with a building warranty which tends to be 10 years from the date the property has finished being built however, this can vary depending on the building warranty provider. More information will be provided when we offer a property.

Can I decorate?

You don't need anyone's permission to hang pictures, strip the hallway, or paint every room a different colour, although we advise you not to do so for the first 12 months when buying a new build home. However knocking down walls or any other structural changes will need the housing association's permission. Of course, any improvements you make to the property will be taken into account when you want to sell – it could increase its value.

Can I have a pet?

We have a pet policy for all our homes.
Before taking a pet into your home, you must get permission. More information is available from our website: www.plymouthcommunityhomes.co.uk

Can I sublet?

No. Your lease prevents you from subletting.

What does the service charge cover?

Your service charge includes your building insurance and a contribution towards the management and maintenance of the estate. Depending on where your home is located, the estate may be maintained by PCH, an external management company, or a combination of both.





Can I sell?

Yes, you can sell your shared ownership home at any time to:

- buy another shared ownership home
- buy another home outright
- move elsewhere

If you decide to sell your share, then PCH has a 4 week period to nominate a new buyer for your property, known as the 'nomination period'.

This is to ensure that shared ownership homes continue to remain as affordable housing and available to other shared ownership applicants.

You will need to obtain a RICS valuation to start the process.

If PCH does not nominate a buyer within the nomination period to another shared owner, then you will be able to sell through an estate agent or sell the property privately.

If your home has increased in value, you will benefit from this increase in line with the amount of equity in the home you own. However, if the market value of your home has decreased then you may receive less money than you have paid in.

You will also have to instruct a solicitor to act for you in the sale of the property. It will be down to you to pay the valuation fee, your solicitor's fees, PCH's solicitor fees, and any mortgage fees.

Our Guide to selling your shared ownership home provides further information on the process.



Can I buy more shares?

Once you have taken your first step on to the property ladder by buying an initial share, you can choose to buy more shares in your home at any time. This process is known as 'staircasing'.

There will be some homes that have restrictions on staircasing which your landlord will have advised you about before you first bought the home. Any restrictions will also be detailed in your shared ownership lease. For most homes, however, there will be no restrictions and you will be free to staircase to own 100% of your home outright.

The standard model shared ownership lease enables you to purchase extra shares of 10% or more at a time. With the new model shared ownership lease you have the option to staircase by 1% for the first 15 years, or in tranches of 5%.

If you are buying 5% or more, PCH will instruct a surveyor on your behalf to complete an open market valuation. This surveyor must be accredited by the Royal Institute of Chartered Surveyors (RICS) and the report they produce will determine the open market value of your home. This is then used to determine the price of the share you would like to purchase.

If you have a new model shared ownership lease and choose to buy 1%, you do not need to pay for a valuation or legal fees.

If you are buying a resale property, you can purchase more shares whilst buying the property.

You will also have to instruct a solicitor to act for you in the purchase of the additional shares. It will be down to you to pay the valuation fee, solicitor's fees, and any mortgage fees.

Our Guide to Staircasing provides further information on the process.



How do I find out if the property is affordable for me?

You can purchase your share of the property with either cash or a mortgage.

If you are thinking of purchasing your share through a mortgage you will need a deposit of between 5% and 20% of the share you are purchasing. You will then need to raise a mortgage for the remainder of the share you will purchase.

If you are thinking of buying a shared ownership home with a mortgage then we would recommend that you consult a mortgage advisor. They will look in detail at your income and expenditure and advise you on what you can afford. A charge may be made for such advice by a mortgage advisor. They are not employed by PCH so their advice is impartial.

You can find a mortgage advisor, near to you, on the Financial Services Register www.register.fca. org.uk or visit our website www.so-living.co.uk/mortgage-advisors

How do I apply for a property?

All our available properties will be advertised on our website www.so-living.co.uk. You can apply for a property by clicking on the Apply button and completing the required information. Once we receive your application we will advise where you are on the list for this property. All applications are on a first-come, first-served basis, subject to any s106 restrictions and armed forces applicants. If you are first in line for this property you will be asked to provide evidence that you meet any relevant s106 restrictions and undertake your affordability assessment with our nominated mortgage advisor.

Some shared ownership resale properties may be advertised with an estate agent. If you find a PCH property advertised with an estate agent, you will need to contact them directly to apply for it.

Affordability assessment

Whether you're purchasing with a mortgage or paying in cash, we will ask you to make contact with our nominated mortgage advisor who will conduct an affordability assessment to ensure that all payments on your intended home are affordable. In the case of a resale where the property is advertised through an estate agent, this assessment will be undertaken by the estate agents in-house mortgage advisor.

A list of documents that you will need to provide the mortgage advisor can be found on the SO Living website - www.so-living.co.uk/help-advice/how-to-apply

Please ensure you liaise with the mortgage advisor and respond in a timely manner to avoid any delays with this process. Once your affordability has been assessed and deemed affordable they will then send this assessment to PCH to review and conduct our internal approval process.

If you are buying a new property, you are encouraged to purchase as large a share as is suitable based on your circumstances and affordability.

If you are applying for a resale property you would be buying the existing share that is being sold by the current shared owner. Subject to the outcome of your affordability assessment, you may be able to buy more shares from PCH at the same time, known as interim staircasing. You will not be able to buy a smaller share than the one currently being sold by the existing shared owner.

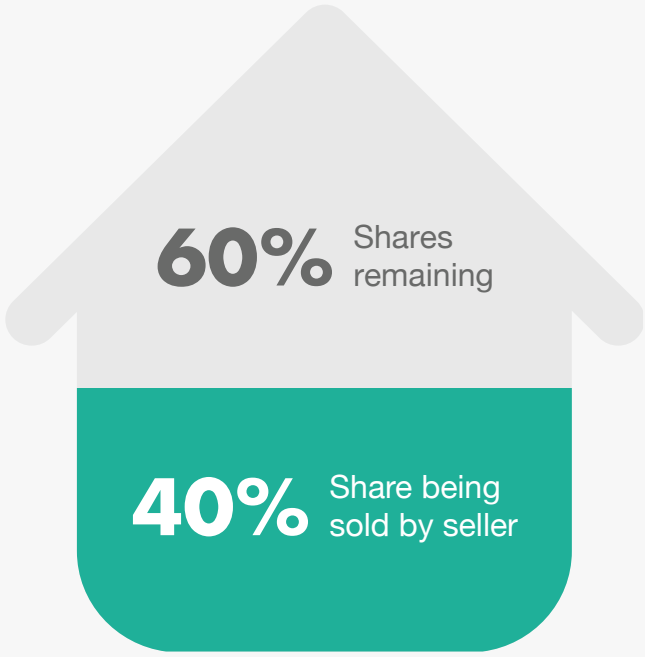
When approved the Sales Team will send you the relevant sale documents for you to read, sign and return.

During this period, the Sales Team will discuss the current arrangements for viewings.

Buying more shares whilst purchasing a resale property

If your affordability assessment confirms that it is affordable to do so, you may be able to buy more shares in the property. This would mean you are completing two types of legal transactions at the same time, buying the current shares from the existing shared owner, and buying more shares from PCH.

The seller is required to obtain a RICS valuation before the property can be advertised. These reports are typically valid for between 3 and 6 months. Any additional shares you purchase from PCH must be based on the RICS valuation amount. Therefore, depending on how long the property has been on the market and how long the affordability and legal processes take, the valuation may expire. If this happens, it will be your responsibility as the buyer to pay for a new RICS valuation report.

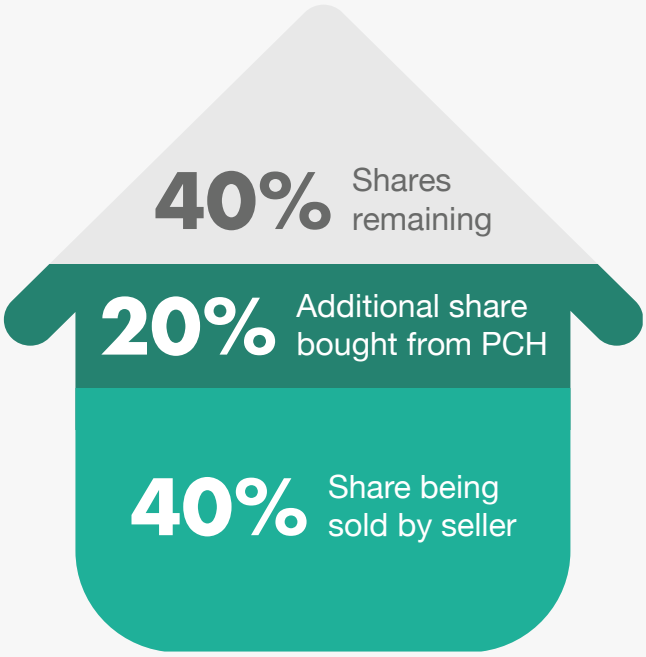


Open market sales valuation: £200,000

Share being sold by seller: £80,000

Total purchase price: £80,000

Example rent per month*: £300



Open market sales valuation: £200,000

Share being sold by seller: £80,000

Additional staircasing share to be purchased from PCH: £40,000

Total purchase price: £120,000

Example rent per month*: £200

*Example rent based upon rent charge of 3% of the unsold share in the property.

What are the costs involved in shared ownership?

1. First you'll need a deposit, typically between 5% or 20% of the share you're buying
2. Mortgage arrangement and valuation fees. The amount will depend on the lender
3. If you are buying your share with cash, then you will need to cover the cost of the share you are buying instead of taking out a mortgage
4. On completion, you will need to pay between one and two months' rent, which will be apportioned according to your completion date.
5. Solicitor fees typically start from around £2,000. If you are buying more shares of a resale property, your solicitor fees may be higher
6. Removal costs
7. Funds to furnish your new home
8. Stamp duty, depending on the share you buy. Your solicitor can advise you on this amount
9. If you are buying more shares of a resale property, you may need to pay for a RICS valuation

What costs do I have to pay when I own my home?

After you've put down a deposit (and paid any legal fees), you'll be paying your mortgage, rent, and service charge each month. Your mortgage is worked out based on the size of the share you've bought, and your rent is paid to Plymouth Community Homes. (It's good to note that your rent and service charge will be reviewed every year based on market fluctuation, so remember to check your lease carefully for details of possible rent increases.) If you buy a share outright, you will only have your rent and service charge to pay.

There are also other costs involved once you have bought the property to think about, here are some of them:

- Mortgage protection insurance
- Contents insurance
- Council tax
- Gas/electric/water and telephone charges
- Other household bills
- Repair and maintenance costs





Buying a new shared ownership home

Your offer and reservation

Once your affordability assessment has been approved, you will receive an offer letter. You should carefully read all the documents to make sure the details are correct. You will then need to sign and return all documents to the Sales Team. This reserves the property so we do not sell it to anyone else during the 12 week reservation period.

Instructing a solicitor

When buying a home, you will need to appoint a solicitor to act on your behalf. They will handle the conveyancing for you (legally registering the lease with land registry), explain the terms of your lease and communicate with PCH's solicitor on your behalf. It is worth noting that you will need to pay for the costs of local searches and your legal fees.

Once you have returned your offer letter you will then need to instruct a solicitor. We recommend that you find a solicitor who is familiar with shared ownership. Your solicitor will tell you what information they need.

Find a solicitor near to you that is qualified to offer conveyancing, by checking The Law Society's register: solicitors.lawsociety.org.uk

We will instruct our solicitor to carry out the conveyancing for the sale of the property. Once solicitors are instructed it is really important to regularly communicate with your solicitor about your purchase.

Instructing your mortgage advisor

In addition to instructing your solicitor you must also instruct your mortgage advisor to apply for your mortgage (if you are buying with a mortgage). Once the mortgage advisor is instructed it is really important to regularly communicate with them about your mortgage offer.

Completion Day

The two solicitors will agree a completion date. On this day, the sales officer will meet you at the property to welcome you to your new home, hand your keys over and give you information on your property.

Buying a shared ownership home timeline

1

Register your interest in a development



Register your interest in a development on the SO Living website www.so-living.co.uk. Also seek independent mortgage advice, suggested advisors can be found on our website.

2

Apply for a home

Once a property is released, you will need to apply for it on our website.

3

First-come first-served

We accept applications for the properties on a first-come first-serve basis. We will advise where you are on the list for this property.

Within 48 hours

4

Registering with our mortgage advisor

If you are first in line, we will need you to complete an affordability assessment. Our nominated mortgage advisor, undertake this on our behalf.

We require that you register with them within 24 hours of you being notified by the Sales Team.

5

Preliminary checks by our mortgage advisor

They will usually contact you by the next working day to carry out preliminary checks. If you miss their call you must schedule another call back.

The rescheduled call must be completed within 2 working days of their initial call to you

6

Documents required by our mortgage advisor

You will be expected to provide the documents within 5 working days of them conducting the preliminary checks

If you do not complete all the actions within the specified time, we may move on to the next applicant.



Buying a shared ownership home timeline

7



Your affordability assessment is completed

Once the mortgage advisor has received all your documents, they will review your affordability assessment and send it to us for approval.

Within 10 working days

8

PCH review your assessment

PCH will review your assessment to ensure it meets our policies. If we require further information we will refer back to the mortgage advisor.

Within 5 working days if no additional documents are required

9

Offer documents

If your affordability assessment is successful, we will provide you with offer documents.

Usually within 5 working days

10

Viewings

The Sales Officer will be in contact with you to discuss the viewing arrangements during this time.

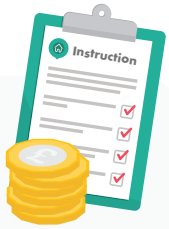
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Accepting your offer

To proceed with the sale, return your offer documents to us and send us your solicitors' details.

Within 5 working days of your offer

12



Instruct your solicitor and mortgage advisor

Instruct your solicitor and pay the fees to carry out searches on your new home. Instruct your mortgage advisor to arrange your mortgage application.

Within 2 working days after accepting your offer

13

Mortgage valuation

Your mortgage company will arrange for the property to be valued and PCH will meet your surveyor at your property (you don't need to attend). Following this, ensure your solicitor shares your mortgage offer with PCH's solicitors for approval.

14

Measure up visit

We will try to provide you with access to your property to measure up for carpets, furnishings, and curtains etc.

15

Completion day

The completion date is agreed between the solicitors. We'll meet you at the property to hand over your keys, take meter readings and provide you with any information.

Your offer is valid for 12 weeks, and you will be required to complete on your purchase within this time.

Buying a resale shared ownership home

Your offer and reservation

Once your affordability assessment has been approved, we will need to request permission from the current shared owner to offer the property to you.

When we receive the consent, we will offer the property to you. You should carefully read all the documents to make sure the details are correct. You will then need to sign and return all documents to the Sales Team.

The seller reserves the right to withdraw the property from the market at any time.

Instructing a solicitor

When buying a home, you will need to appoint a solicitor to act on your behalf. They will handle the conveyancing for you (legally registering the lease with land registry), explain the terms of your lease and communicate with PCH's solicitor on your behalf. It is worth noting that you will need to pay for the costs of local searches and your legal fees.

Once you have returned your offer letter you will then need to instruct a solicitor. We recommend that you find a solicitor who is familiar with shared ownership. Your solicitor will tell you what information they need.

Find a solicitor near to you that is qualified to offer conveyancing, by checking The Law Society's register: solicitors.lawsociety.org.uk

The seller will instruct their solicitors to carry out the conveyancing for the sale of the property. PCH will also instruct solicitors to undertake the legal work in connection with the resale provisions in the lease. If you are buying more shares of the property, PCH's solicitors will also undertake the legal staircasing work with your solicitor.

Once solicitors are instructed it is really important to regularly communicate with your solicitor about your purchase.

Instructing your mortgage advisor

In addition to instructing your solicitor you must also instruct your mortgage advisor to apply for your mortgage (if you are buying with a mortgage). Once the mortgage advisor is instructed it is really important to regularly communicate with them about your mortgage offer.

Obtaining a new RICS valuation

If you are buying more shares in a resale property, you may need to obtain a new RICS valuation if the existing one expires.

Completion Day

The three solicitors will agree a completion date. The buyers and your solicitors will confirm the arrangement for the collection of the keys once you have legally completed.

Buying a resale shared ownership home with SO Living timeline

1

Register your interest in a resale home



Register your interest in a resale home on the SO Living website www.so-living.co.uk. Also seek independent mortgage advice, mortgage advice, suggested advisors can be found on our website.

2

Apply for a home

Once a property is released, you will need to apply for it on our website.

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We accept applications for the properties on a first-come first-serve basis. We will advise where you are on the list for this property.

Within 48 hours

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Registering with our mortgage advisor

If you are first in line, we will need you to complete an affordability assessment. Our nominated mortgage advisor undertake this on our behalf.

We require that you register with them within 24 hours of you being notified by the Sales Team.

5

Preliminary checks by our mortgage advisor

They will usually contact you by the next working day to carry out preliminary checks. If you miss their call you must schedule another call back.

The rescheduled call must be completed within 2 working days of their initial call to you

6

Documents required by our mortgage advisor

You will be expected to provide the documents within 5 working days of the mortgage advisor conducting the preliminary checks

If you do not complete all the actions within the specified time, we may move on to the next applicant.

7

Your affordability assessment is completed



Once the mortgage advisor have received all your documents, they will review your affordability assessment.

Within 10 working days

8

PCH review your assessment

PCH will review your assessment to ensure it meets our policies. If we require further information we will refer back to the mortgage advisor

Within 5 working days if no additional documents are required

9

Nomination acceptance

If your affordability assessment is successful, we will request permission from the seller to accept you as the buyer

Within 5 working days

Buying a resale shared ownership home with SO Living timeline

10

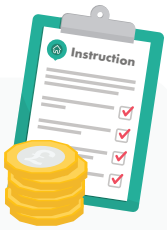
Offer documents

We will provide you with the offer documents once we have received the signed nomination acceptance from the seller

Usually within 5 working days

11

Instruct your solicitor and mortgage advisor



Instruct your solicitor and pay the fees to carry out searches on your new home. Instruct your mortgage advisor to arrange your mortgage application.

Within 2 working days after accepting your offer

12

Mortgage valuation

Your mortgage company will arrange for the property to be valued. The seller will provide access to the property (you don't need to attend). Following this, ensure your solicitor shares your mortgage offer with PCH's solicitors for approval.

13

Measure up visit

We will liaise with the seller to provide you with access to the property to measure up for carpets, furnishings, and curtains etc.

14

Updated RICS valuation

If you are buying more shares as well as buying the shares being sold by the seller, you may need to obtain an updated RICS valuation.

15

Completion day



The completion date is agreed between the solicitors. Your solicitors will confirm the arrangement for the collection of the keys once you have legally completed.

We can not provide you with a timescale to complete as this will need to be agreed between you and the sellers through your solicitors.





Buying a resale shared ownership home through an estate agent timeline

1

Contact estate agent

Contact the estate agent who is advertising the property.

2

Registering with the estate agents mortgage advisor

We will need you to complete an affordability assessment with the estate agents mortgage advisor. You will also need to register with SO Living, the estate agent will provide you with the link to our registration form.

The estate agent will advise what the timescales you must adhere to

3

Documents required by the estate agents mortgage advisor

You will be expected to provide all the requested documents to the mortgage advisor to allow them to undertake the assessment.

4

Your affordability assessment is completed



Once the mortgage advisor have received all your documents, they will review your affordability assessment and sent to us for approval.

The estate agent should advise how long this will take

5

PCH review your assessment

PCH will review your assessment to ensure it meets our policies. If we require further information we will refer back to the mortgage advisor

Within 5 working days if no additional documents are required

6

Nomination acceptance

If your affordability assessment is successful, we will request permission from the seller to accept you as the buyer

Within 5 working days

7

Viewings

The estate agent will discuss with you the viewing arrangements during this time.

8

Offer documents

If your affordability assessment is successful, we will provide you with offer documents.

Usually within 5 working days

Buying a resale shared ownership home through an estate agent timeline

9

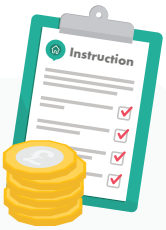
Accepting your offer

To proceed with the sale, return your offer documents to us, and send us your solicitors' details. We will advise the estate agent that the offer has been made to you.

Within 5 working days of your offer

10

Instruct your solicitor and mortgage advisor



Instruct your solicitor and pay the fees to carry out searches on your new home. Instruct your mortgage advisor to arrange your mortgage application.

Within 2 working days after accepting your offer

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Mortgage valuation

Your mortgage company will arrange for the property to be valued. The estate agent will arrange access to the property (you don't need to attend). Ensure your solicitor shares your mortgage offer with PCH's solicitors for approval.

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Measure up visit

You will need to liaise with your estate agent to obtain access to the property to measure up for carpets, furnishings, and curtains etc.

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Updated RICS valuation

If you are buying more shares as well as buying the shares being sold by the seller, you may need to obtain an updated RICS valuation.

14

Completion day



The completion date is agreed between the solicitors. Your estate agent will confirm the arrangement for the collection of the keys once you have legally completed.

Average of 20 weeks





so-living.co.uk

0800 0778 748

so-living@pch.co.uk

facebook.com/solivingplym

instagram.com/solivinghomes

SO Living. Plumer House,
Crownhill, PL6 5DH

Opening times
Monday - Thursday 9am - 5pm
Friday - 9am - 4:30pm

SO Living | Plymouth Community Homes

Information correct at November 2026