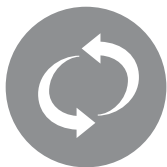


# Shared Ownership

The easier way to get on  
the **housing ladder**





## Who can buy through **Shared Ownership**?

### **Shared ownership is offered to a wide scope of people who:**

- Have been approved by the local HomeBuy agent as meeting the individual and financial criteria to access Shared Ownership
- Have cash funds to purchase an initial share in the property or the ability to obtain a mortgage for their share purchase
- Have at least a 5% deposit\*
- Are employed
- Have a combined total income of £80,000 or less (including capital after the purchase) per annum
- Are on the electoral roll
- Have a good credit history, no recent defaults, no payday loans or county court judgments
- Pass our financial affordability criteria to ensure that you can afford the property on a sustained basis
- Have no history of rent arrears



## Who **can't**?

- Property investors
- People looking for a second home (current homeowners)
- People who can buy on the open market—this is assessed as part of the affordability criteria†



## What is **Shared Ownership**?

Shared Ownership helps you to get a foot on the property ladder by sharing the initial cost of buying your home with us.

Shared Ownership allows you to buy a share in a property at a price you can afford - usually between 50% and 75%.\* \*

Typically, shares are purchased using a mortgage. Rent is then paid to us on the outstanding share plus any service charges and ground rents.



\*Deposits can vary on each development. \*\*Share percentage is calculated and dictated by Homes England. †All applicants are required to pass our affordability criteria to ensure that they can afford the property on a sustained basis, as well as obtaining HomeBuy agency approval.



## Reserving your **new home**

Firstly, you will need to register at [helptobuyagent2.org.uk/apply-online](https://helptobuyagent2.org.uk/apply-online) and apply to be considered for Shared Ownership. If approved, you'll be sent a reference number<sup>^</sup> via email. Once you have chosen where you'd like to live, you'll need to complete one of our application forms. A £250 reservation fee is required at this point to reserve your home (payable by cheque or bank card).

As soon as your application has been approved, we'll write to you usually within five working days to confirm the reservation of your new home. We then expect exchange

of contracts to take place within an eight week period and legal completion will usually follow the week after the contracts have been exchanged.

After legal completion, the reservation fee you paid at the beginning of the reservation process will be used as a credit towards your first full month's rental charge. However, if you cancel your reservation we will retain this fee to meet our legal and administrative expenses.



## A professional **helping hand**

We want the process of buying your home to be as easy as possible. Therefore, we have hand-selected Financial Advisors and Solicitors who understand Shared Ownership, providing easy to understand advice and guidance.

The Financial Advisors we recommend will assess your application to see if you meet the affordability criteria to allow you to reserve your home. They can also arrange the

mortgage for you. Please refer to the price list of the development you are interested in for contact details.

The Solicitors we recommend are designed to be affordable and can provide a schedule of costs. Please ask your Sales Advisors for more details. Although optional, by using our recommendations it'll help to smooth the transaction.



## What does being a **leaseholder** involve?

Shared Ownership homes are always leasehold. This means that you have the right to live in a property for a set period of time but do not own the building itself. The length of time depends on the lease and can be up to 125 years.

### **Houses**

If you buy a house, your lease will be classed as 'full repairing'. This means that you are responsible for all repairs and maintenance to your home both inside and outside. You may also be responsible for paying an estate or service charge if you are buying your house which covers the upkeep of any adopted roads or shared car parks. Details of your service charges will be available from your Sales Advisor and noted on your Memorandum of Sale.

### **Flats/Apartments**

If you are purchasing a flat, you will be liable to pay service charges for the maintenance

of such areas as communal hallways, window cleaning and grounds maintenance. You will also pay into a sinking fund for major works or improvements that may be necessary in the future. Details of your service charges will be available from your Sales Advisor and noted on your Memorandum of Sale.

If you have any queries regarding service charges and what you are responsible for then your solicitor will be able to help you understand your responsibilities and what you will have to pay for. Alternatively, you can visit our website:

[www.midlandheart.org.uk/my-home/leasehold](https://www.midlandheart.org.uk/my-home/leasehold)

You'll also receive a welcome letter when you complete your purchase giving the name of your Leasehold Officer and their contact details. Your Leasehold Officer will be happy to discuss your service charges and leaseholder responsibilities with you.

<sup>^</sup>Approval does not guarantee qualification with Midland Heart's affordability criteria



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## Buying more **shares** in your home

After moving in, you'll be able to purchase further shares in your home. This is known as 'staircasing'. Each development is different but in most cases you can buy additional shares in your property immediately after legal completion. Your Leasehold Property Officer can guide you through this.

The price you pay for additional shares will be the market value at the time of purchase. Part of the staircasing criteria is that a

RICS Surveyor will value your home for this purpose. However, you are responsible for the valuation fee, legal fees and administration charge.

As you acquire more shares in your home, your monthly rental payment to us will decrease and your share value will increase.



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## About **us**

We're a leading housing organisation, delivering homes and services across the Midlands that enable people to live independently. We own and manage 33,000 homes and are dedicated to providing decent, affordable homes combined with excellent services to over 70,000 customers.

Founded in 1925, we are a trusted not for profit organisation whose social purpose drives us to reinvest all our surplus back in to our customers, staff and homes.

We offer a wide range of homes, from apartments to houses. Our homes feature a generous specification with many extras, which could include carpets, flooring and kitchen appliances.

We operate throughout the Midlands. For information about where we currently have homes available, please call 0800 44 55 67 or speak to your Sales Advisor.



20 Bath Row, Birmingham, B15 1LZ  
Tel: 0800 44 55 67

[www.midlandheart.org.uk/sales](http://www.midlandheart.org.uk/sales)