

Shared Ownership

A guide to buying your home

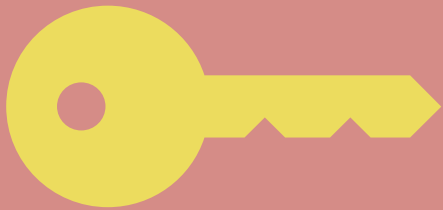


South
Yorkshire
Housing
Association



syha.co.uk

There's nothing like
the thrill of walking
through your very
own front door



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About South Yorkshire Housing Association

South Yorkshire Housing Association owns and manages homes, across Yorkshire & North Derbyshire, approximately 350 are for shared ownership in Sheffield, Rotherham, Barnsley, Chesterfield, Selby and surrounding areas. We reinvest our profits to provide housing and support for those that need a little extra help to settle at home.

We understand that having your own home is about more than just the bricks and mortar. It's about the location, community and environment - which is why we work hard to make sure your new home ticks all your boxes.

The Leasehold Management Team at South Yorkshire Housing Association are experts at offering guidance, support and advice to both first-time buyers and customers wanting to sell their existing shared ownership home.

What is Shared Ownership?

Shared ownership is an affordable home ownership scheme. The scheme makes it easier for first-time buyers and those already on the property ladder to find their new home.

With shared ownership instead of buying a home outright, you buy a share in a property – usually between 25 – 75% - and then pay subsidised rent on the rest. You also have the option to buy more shares in the future until you own your home outright if you want to.

Who can be a shared owner?

You can apply for a shared ownership property if you are over 18, your annual household income is less than £80,000 and one of the following applies:

- You are a First-time buyer
- You can't afford to purchase a property outright
- You are selling your home and want to move into a shared ownership property
- You are an existing shared owner looking to move

Why Shared Ownership?

Over the past few years deposit amounts have been continually increasing, meaning lots of buyers (first- time or those already on the property ladder) have given up hope of ever owning their own home or moving. But, don't let this stop you as there are other ways out there to help you find your new home.

Shared Ownership is one of those options. It allows you to get on the property ladder as an owner- occupier, offering long-term stability without overstretching yourself financially.

The benefits of Shared Ownership?

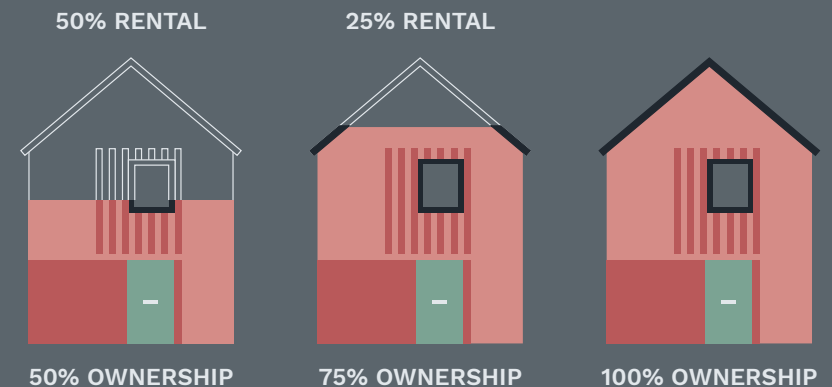
- You can only buy what you can afford
- You own part of a home
- Initial buying costs are lower, and you'll need a smaller deposit and a smaller mortgage.
- Monthly repayments can often work out cheaper than if you had an outright mortgage
- You can sell the shares you own at any time
- You can buy more shares when you can afford it

How does it work?

As the share you own increases, the rent will decrease and, if you decide to buy your home outright you won't have to pay rent.

Shared Ownership properties make you an owner-occupier not a tenant. As you're buying your home on a lease you still have the same rights as a homeowner and are responsible for paying all the maintenance repairs and bills - even on the part you're paying rent on.

Over time the greater the share of the property you own then, the rental amount decreases.



The process



Oliver's Shared Ownership story

New homeowner and electrician Oliver had been on the hunt for his own place for years but couldn't afford a deposit by himself. He turned to Shared Ownership as an affordable way onto the property ladder, and now after two years of paying both rent and mortgage, owns 100% of his flat. Here's what he had to say:

"It's a great way of getting on the property ladder – now I fully own my house. It's a fantastic feeling to come home through my very own front door."

"I'd wanted to buy my own place for a while, but I couldn't get a mortgage. That's why it seemed like a good way of getting my foot on the property ladder."

"It was quite an easy process, and everything seemed straight forward when it came to the sale. The hardest thing for me was the application processes and waiting for surveys to be done – but I think that's the same with any property you buy."

Staircasing

Once you've moved in you have the choice of buying a bigger share in your home. This is called 'staircasing'. The price you pay for any extra share is based on the market value of your home at the time you want to staircase. This value can go up or down according to house prices generally. The value will be set by an independent valuer. There will be some costs involved in staircasing such as a valuation fee and solicitor's fees.

In most cases you can purchase up to 100% of your home, and as the amount owned by you increases, your rent will decrease.

FAQs



Can I sell my shared ownership home?

You can sell your home or your share in your home at any time. Some leases contain a clause giving the housing association nomination rights for your property, which means they have a certain period of time to find a buyer for your home who meets the affordable homes criteria. After the time explained in your lease has expired, if they're unable to find a buyer, you can sell your home through an Estate Agent, paying their fees. However, the new buyer must meet the affordable homes requirements.

Do I need permission to make alterations or improvements in my home?

You don't need permission for redecorating and simple repairs, but you will for anything more complicated or structural.

Who is responsible for repairs and maintenance?

If you own a house, you are responsible for all repairs and maintenance to the inside and outside of your home. If you own an apartment, you are responsible for maintaining the inside. We'll take care of day-to-day repairs, maintenance and decoration to the outside of the apartments and any shared areas. These are paid for through your service charge

Is shared ownership more expensive than just renting?

In most cases, it's actually cheaper than renting – and you have the added benefit of owning part of your home! With shared ownership, you'll pay a mortgage on the percentage share you own and a subsidised rent on the remainder.

Does shared ownership mean I'll be sharing my home with someone?

With shared ownership you won't be sharing your home (well apart from who you want to share it with!). The scheme means you buy a share in a property, paying a mortgage on the share you own and subsidised rent on the rest.



Get in touch

For more information on Shared Ownership, advice or to see if you qualify give the leasehold team at South Yorkshire Housing Association a call on:

0114 290 0200 or email

leasehold@syha.co.uk

Useful contacts

The Help To Buy website: www.helptobuy.gov.uk

The Zone Agents website: www.helptobuyneyh.co.uk

Crucible Shared Ownership: sharedownership@cruciblesalesandlettings.co.uk

