A guide to Shared Ownership

An affordable, flexible way onto the property ladder

Contents

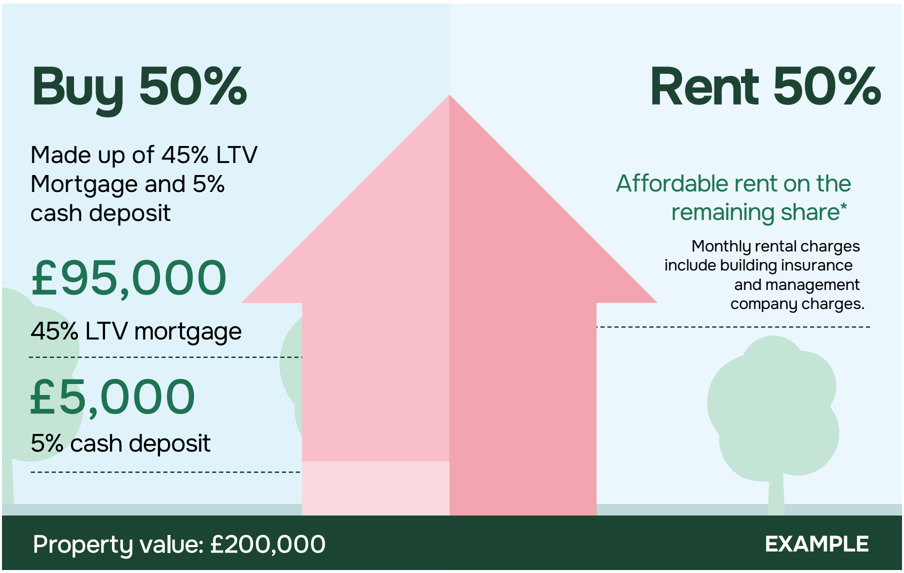
This guide explains the following:

What is Shared Ownership?

Shared Ownership is an affordable, flexible, and fantastic option of purchasing a home and getting onto the property ladder if you are unable to purchase a home on the open market.

Shared Ownership is a government funded Low-Cost Home Ownership (LCHO) product. It allows you to purchase a share in a property that is affordable to you, whilst paying a subsidised rent to us for the unsold equity that remains in our ownership.

Initial shares can normally be brought in stages and range from 10%-75% this is dependent on your affordability and terms and conditions contained within the lease. When the time's right, you can also staircase and buy additional shares within your home and if your lease allows you can purchase the Freehold interest to own your home outright.



New model Shared Ownership Lease

Homes built through the 2021-2026 Homes England funding programme are subject to the new model Shared Ownership lease. If this applies to a property you are interested in, you will have different options for staircasing and will enter into a lease of at least 990 years.

The new model lease also includes changes to who is responsible for ongoing repairs and maintenance, with leaseholders eligible to claim up to £500 each year for the first ten years to put towards general repairs that affect your heating and domestic services such as electric and plumbing.

Key changes in the new model lease

- Staircase in 1% increments for the first 15 years of the lease
- Staircase in 5% increments (it was previously 10%)
- Buy a minimum stake of just 10% (previously 25%)*
- Have a term of at least 990 years on the new leases.

Shared ownership model	Older model shared ownership	Standard model shared ownership	New model shared ownership
Minimum initial share	25%	25%	10%
Lease length	Typically, leases were issued for 99 years from new	Leases are for a minimum of 99 years from new but typically at least 125 years	Leases will be for a minimum of 990 years from new
Initial repair period	No	No	Yes
Buying more shares - minimum purchase	10% or 25%	10%	5%
1% share purchase	No	No	Yes
Landlord's nomination period	8 weeks or 12 weeks	8 weeks	4 weeks

Changes to repairs and maintenance

- We will be responsible for external and structural repairs for the first ten years of the lease.
- Repairs will still be your responsibility, but you can apply to us to contribute towards the cost of these repairs.
- You will be eligible to receive up to £500 each year for the first ten years to put towards general repairs to your heating and domestic services, such as electrics and plumbing.
- You can also carry over any balance remaining up to a maximum of £500 per year.

Important note: these repairs will be covered by the developer during your defects period, usually 12 months after the build is completed.

What are the benefits of Shared Ownership?

- You only need to secure a mortgage for the share in the property you are buying, making it more affordable, Mortgage deposits also normally start from 5%.
- You become a leaseholder and therefore do not need to worry about the uncertainty of short-term rentals and your home will be a secure long-term investment.
- You will own part of your home, which is more beneficial than renting privately with no return.
- You will become a homeowner and gain from the benefit of increases in equity within the share you own (subject to market conditions).
- You can take on the full responsibility of owning your own home.
- Shared Ownership can be a more cost-effective option to buying outright, with the combined mortgage and rent payments normally being less than buying a property outright or privately renting a similar property.
- Subject to the lease, you can normally buy additional shares within your home to eventually own it outright, this is called Staircasing. The more of your home you own, the less rent there is to pay.

Who can apply for Shared Ownership?

Shared ownership is for anyone who would like to own a home but cannot afford to buy one outright on the open market.

You may qualify if:

- You are unable to afford and purchase a home on the open market
- Your household income is less than £80,000 a year
- You do not currently own a property or if you own a property this must be sold subject to contract.

You may NOT qualify if:

- You can afford to purchase a property on the open market.
- You are unable to afford the monthly costs, in which you would not qualify financially.
- If you already have a home which you own in the UK or abroad which you will not be selling
- You have a joint household income of over £80,000 a year.

Please note: Shared Ownership homes can only be purchased as principal homes and cannot be bought for letting or subletting purposes or for financial gain.

How can I apply for Shared Ownership?

Our dedicated Sales Officers or the appointed estate agents marketing the property will be able to help and guide you through the Shared Ownership application process.

Once you have found a property you would like to apply for, you will need to complete a Shared Ownership application form and provide supporting information to allow for your application to be assessed.

Process of Shared Ownership

1. Find your new Shared Ownership home
2. Register your interest with Amplius or the selling Marketing Agent
3. Complete the application form and send this back to us
4. Complete your affordability assessment
5. Receive your acceptance offer letter and pay reservation fee.

What are the costs of Shared Ownership?

Initial costs when buying:

- Legal fees
- Valuation fees (for a survey of your home required by your mortgage lender)
- Stamp duty if applicable (check with your solicitor)
- Mortgage deposit.

Ongoing costs:

- Mortgage payments
- Shared Ownership rent
- Buildings insurance
- Service charge
- Electricity, water, gas, Wi-Fi, tv subscriptions
- Relevant insurance policies inclusive of Contents insurance.

Please note: Shared Ownership rents, management fees, and service charges are reviewed on an annual basis as detailed within your Shared Ownership lease.

How does leasehold work?

You will enter into a Shared Ownership lease for the property. You will have all the rights and responsibilities that you would have if you owned the home outright. The lease will explain your responsibilities as a homeowner, and our responsibilities as the freeholder.

A Shared Owner's main responsibilities include:
- Paying the monthly mortgage (if applicable), rent and service charge payment
- Insuring the contents of your home.
- Paying all utility and household bills for your home
- The upkeep and ongoing maintenance of your home
- The requirement to obtain permission from us for home improvements and any works undertaken that involves the gas and electrics to the home
- Adhering to the clauses in your lease regarding nuisance, noise, and anti-social behaviour
- Your responsibilities when selling your home and the costs involved.

Our responsibilities will include:
- Arranging and providing buildings insurance for your home.
- Maintaining the structure of the buildings.
- Managing and maintaining all communal areas of the building (flats) and surrounding shared communal areas.
- Collecting and setting of the annual Shared Ownership rent and service charge payments (if applicable).

Further help and support can also be found by visiting our Leasehold page at **amplius.uk/leaseholder-information**

Staircasing – buy more shares in your home.

As a shared owner, you can buy further shares in your home. This process is known as Staircasing. The greater share you own in your home, the less rent you will pay to us.

Normally, leases allow for staircasing in multiples of 10% shares. Subject to your lease, you may be able to staircase to 100% and own your home outright on a freehold basis.

Staircasing allows you to buy more shares in your home at a time that is affordable to you. It is a straightforward process, and our experienced Asset Sales Team will help you through the purchase each step of the way.

Our useful 'Guide to Staircasing' can be requested by emailing staircasing@amplius.co.uk and can be found at **amplius.uk/staircasing**

Selling your Shared Ownership home

When the time comes to move on and sell your Shared Ownership home, there is a process detailed within your lease that will need to be followed. There are also fees that you will be liable to pay to us, which include covering our legal costs and paying an administration fee for our time and work involved in processing your sale.

These are in addition to your own legal costs and selling agent's fees. We would always recommend you ask your solicitors to go through these with you in detail when you are buying your home.

When you sell your home, this is called an 'Assignment of the Lease.' Our Asset Sales Officers will provide you with a copy of our helpful booklet 'Selling your Shared Ownership home' and help you through the process. A copy of the booklet can be requested by email: **assignments@ amplius.co.uk.**

Frequently asked questions

A guide to Shared Ownership

Can I buy Shared Ownership with my partner, friend or family member?

Yes, if you both meet the criteria detailed above and the property will be their only and principal home.

Do I have to live or work in the area where the property is?

Sometimes there are local authority requirements that priority be given to applicants who live and/or work in the area where the property is located. This will be confirmed by the selling agent or our Sales Officer at the time of applying.

Is the property Leasehold or Freehold?

All Shared Ownership properties are sold initially as Leasehold. If your lease allows and you're able to staircase up to 100 percent, once this is completed the Freehold will be transferred to yourself, subject to any restrictions in your lease and the property type.

Who's responsible for repairs and maintenance of my home?

Once you move into your home, you become fully responsible for all repairs and maintenance, both internally and externally, unless the works are covered under the terms of the buildings insurance or the property's defects period (new build homes only).

If your home is a flat, you'll be responsible for the internal repairs, whilst Amplius will undertake and manage any communal repairs and maintenance.

Can I make alterations to my home?

You don't need to seek permission for general decorating and upgrading works, however certain building works will require permission from us, such as extensions, conservatories, and gas and electrical works. You'll need to ensure that you've applied for any relevant buildings and planning permissions before proceeding with any such works and that you've consulted with Amplius.

If you're considering undertaking expensive extension/improvements works, we'd always recommend that you consider Staircasing and buying the property outright first (subject to the terms of the lease). This way, you'll benefit from the full costs of the improvement works should you decide to sell your home in the future.

Making a complaint

Online
amplius.co.uk/complaintsform

By phone
0345 601 9095

By email
SalesEnquiries@amplius.co.uk

Amplius

For sales enquiries

Amplius, K2, Timbold Drive, Kents Hill,
Milton Keynes MK7 6BZ

0345 601 9095
newhomessales@amplius.co.uk
amplius.co.uk

Further information relating to Amplius can be accessed via our website: amplius.co.uk