

Shared ownership homes

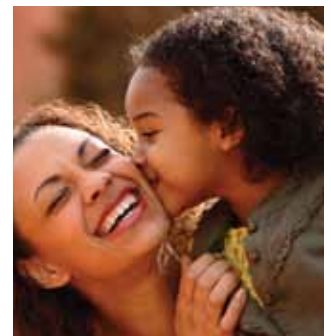
for those who are looking for the best of both worlds

- 1 What is shared ownership?
- 2 Getting on the property ladder
- 3 Can I afford it?
- 4 10 easy steps to shared ownership



What is shared ownership?

Our scheme enables you to buy your home in stages – usually buying 50% of the value of the property in the first instance and paying an affordable rent on the remainder. And the good news is that the combined monthly rent and mortgage outgoings are usually less than the cost of a mortgage on the same type of property on the open market.

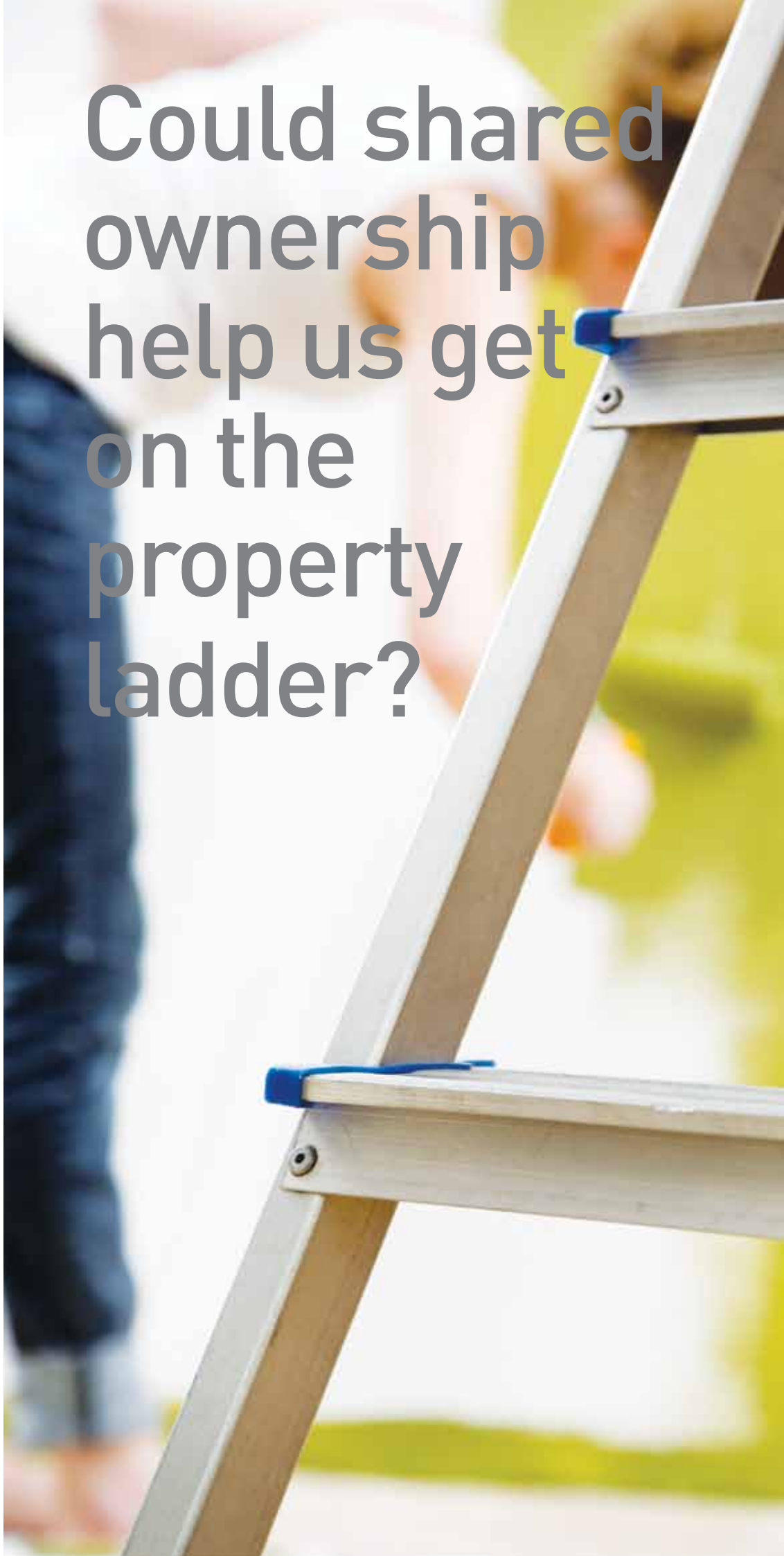


Dreaming of owning your own home? Shared ownership can make it a reality.



Getting on the property ladder has never been more affordable and so wonderfully simple. For those wanting to buy their own homes this is truly the best of both worlds – the perfect combination with our part-buy and part-rent Shared Ownership Scheme.

Could shared
ownership
help us get
on the
property
ladder?



With a regular income, it's an affordable alternative to buying your own home outright or renting. Through our simple application process you will be assessed for affordability and eligibility to see if you qualify for our Shared Ownership Scheme.

You should be able to say 'yes' to all of these statements:

- 1 My household income is less than £60,000 a year.
- 2 I am not already a home owner or named on a home mortgage.
- 3 I am unable to afford to purchase a home on the open market or I am unable to afford to privately rent a home without assistance, that is suitable for my housing needs and within a reasonable travelling distance of my work place.
- 4 I can demonstrate access to savings or sufficient funds to pay, if required, a deposit which may be 5% or more of the purchase price, depending on the lender's requirements.
- 5 I have access to £2,500 to cover the initial purchase costs relating to legal fees and the cost of moving.
- 6 I am able to sustain home ownership in the longer term.



Can I afford a shared ownership home?



To help you consider making that all-important affordable move, you also need to consider the costs and responsibilities of buying your own home and the amount of savings that you have to cover the initial costs, which may include:



Reservation fee

The application process is the first step to owning your own home. Once your application has been approved you will be asked to pay a £500 non-refundable reservation fee which will be deducted from the share price payable on your chosen property.

Deposit

Your mortgage provider will require a deposit which may be 5% or more of the purchase price.

Legal fees

Buying a shared ownership home will incur legal fees. Solicitors will usually give you an indication of the likely costs involved ahead of any property purchase.

Valuation

Your mortgage provider, whether a bank or building society, will arrange for an independent valuation of your chosen property to make sure that the property is worth the asking price. The cost of this may vary according to your chosen mortgage provider.

Stamp Duty

Stamp Duty will not be applied until you own 80% of the home.

Removal costs

You will also need to set aside a sum of money to cover your removal costs. As fees vary considerably, we would suggest getting several quotes from recognised removal firms.



Consider the ongoing costs



To make sure that you enjoy all the benefits of a brand new home with our Shared Ownership Scheme, you must also consider the on-going costs that you will have to pay each month and which are typically:

Mortgage repayments

Your mortgage provider or financial adviser will discuss your monthly repayments. It's important that this is an amount that you can afford to pay each month or your home will be at risk of repossession.

Rental payments (reviewed annually)

Buying a shared ownership home means that you will be paying an affordable monthly rent in addition to your mortgage repayment.

Insurance

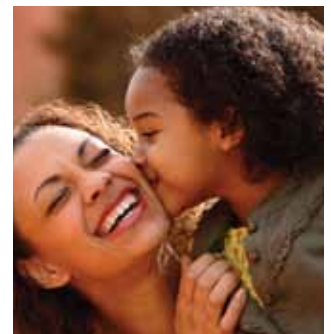
Buildings insurance will be arranged for you through our Shared Ownership Scheme and we recommend that you also make arrangements for insuring the contents of your property.

Service charges

These charges vary according to the type and location of property that you have chosen. We will let you know if service charges are payable once you have chosen your new home.

Utilities

As a shared owner you will be responsible for your own bills including: gas, electricity, water, council tax, telephone and TV licence.



10 easy steps to shared ownership



Why not get in touch to find out how easy it is to enjoy the best of both worlds. We'll talk you through the application process and help you consider that all-important affordable move – making your dream of owning your own home a reality.



- 1 Choose your new home from our wide selection of shared ownership properties and locations.
- 2 Talk to a bank, building society or an independent financial adviser about an affordable mortgage based on 50% of the purchase price of the property. They will guide you through the process, explaining how much you can borrow; what it will cost to borrow the money and what life insurance you might need.
- 3 Complete our simple application form at the back of this brochure or apply on-line by visiting our website: www.yarlingtonhomes.co.uk and let us have your financial details including your mortgage agreement in principle, bank statements and pay slips for the last three months together with details of any savings, additional income or outstanding loans, including Credit Cards.
- 4 We will assess your application for affordability and eligibility. If successful, an offer will be made.
- 5 Complete the South West Homes application to confirm your eligibility for shared ownership – apply on-line by visiting the website: www.southwesthomes.org.uk or calling 0300 100 0021.
- 6 Pay a reservation fee on your chosen property.
- 7 Your solicitor will arrange for 'exchange of contracts'.
- 8 Prepare to move into your new home.
- 9 'Completion' and transfer of funds.
- 10 Collect the keys and discover the thrill of living in a brand new quality home.



Responsibilities of shared ownership



As a home owner, you will be responsible for all repairs and maintenance to the interior and exterior of the property including boundary fencing, paths and parking areas within your ownership.

The responsibilities are slightly different if you are living in a shared ownership flat – you will only be responsible for all internal decorating and repairs. We will be responsible for the maintenance and redecoration of the internal corridors, halls and staircases and externally for roof, gutters, glazing and aerials.

The developer, however, is responsible for putting right any defects that may occur during the ‘defects liability’ period that may run from between 6 and 12 months after the handover of a new property to Yarlington Homes. This may not be the same date that you complete on the purchase of the property.

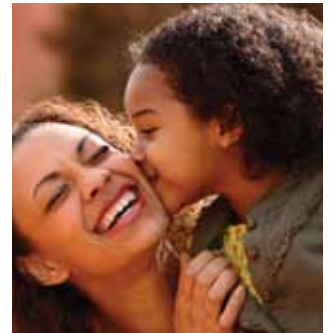
Any new build property will also provide you with a 10 year NHBC or equivalent warranty. If the property is not new, we will advise you of any period of warranty that remains.





What about making improvements to my home?

We recognise that as a home owner you will probably want to make improvements after you've been living there for some time. You may go ahead with simple repairs and redecoration without the need for permission but for any more complicated internal or external improvements, such as adding a conservatory, our Neighbourhood Team on 01935 404500, will advise you on getting approval for your proposed home improvements, before the work is undertaken.



Living the dream

Can I own more than 50% of my home?

Our Shared Ownership Scheme enables you to buy your home in stages with an option to buy more shares at any time after you have lived there for more than a year – this is known as ‘staircasing’. Each time you purchase further shares you will own a larger proportion of the property and so your monthly rental payments will go down.



Is owning my home outright an option?

‘Staircasing’ is the affordable option to becoming the outright owner of your property – allowing you to increase the size of your share in the property, as and when funds allow, and until such a time as you hold a 100% share. Then you will not be required to pay any further rent since you own the property outright, although when applicable, you may still need to pay any service charge. However, this option may be restricted in rural areas or other areas that are deemed protected. Please check with us before buying your property.



What happens if I decide to sell my shared ownership home?

Simply get in touch with us and we’ll talk you through the options. A valuation will give you a clear indication of whether the value of your property, and therefore your share, has increased or decreased depending on the property market at that time.



Can I leave my share of the property to someone?

When making a Will, you can choose to pass on your shared ownership lease or the proceeds of the sale of the lease.

There's never been a better time to find out how we can help you get on the property ladder with our Shared Ownership Scheme.

Take the first step to owning your own home by giving us a call **01935 404639** or visit our website for full details of all our shared ownership properties and locations: **www.yarlingtonhomes.co.uk**

Shared ownership, an affordable alternative – wonderfully simple.



Yarlington Homes Limited
Lupin Way
Yeovil Somerset
BA22 8WN

t. 01935 404639 or 404006

shared.ownership@yhg.co.uk

www.yarlingtonhomes.co.uk