



# Taking charge of Shared Ownership



## What is it?

It's a lot like buying any other home, except you don't have to pay the full price.

Instead, you buy a portion (or share) of your home, and pay rent on the rest - typically to a local housing association. But they won't be your landlord.

This can help if your income means you'd normally be priced out of the kind of home you need. But other than that, the process and the benefits are exactly the same as any other purchase.

Another big benefit is that with some lenders you can borrow 100% of the purchase price for your share, so you don't have to save a deposit.

Like any homeowner, you can sell a Shared Ownership property at any time and you're not tied in. And if you make a profit when you sell, you'll get to keep some of it.\*\*

### Tip:

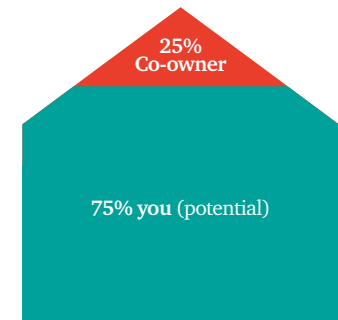
You aren't normally allowed to rent out a Shared Ownership property - most schemes will insist it's your main home.

## How big is my share?

It's up to you and the scheme. Most Shared Ownership homes allow you to buy typically between 25% and 75%, which you can pay for using a mortgage, savings, or both.

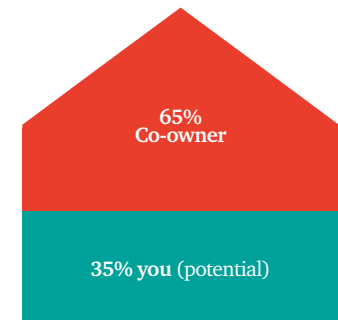
### Example 1

Value of your home	£160,000
Your share / Purchase price	75% / £120,000
Housing association share	£40,000
Together can lend	100%* (£120,000)
Deposit needed	£0



### Example 2

Value of your home	£320,000
Your share / Purchase price	35% / £112,000
Housing association share	£208,000
Together can lend	100%* (£112,000)
Deposit needed	£0



Part of the mortgage application process is a check that you can afford the monthly costs, combining both the mortgage and the monthly rent. So be sure to check how much the rent is, as we'll need to know when doing our sums.

You'll also need to insure the home, pay council tax, and cover all the other bills associated with being a homeowner.

Your home may be repossessed if you do not keep up repayments on your mortgage.

## Remember to take everything into account:

- You'll have to pay monthly rent on the share you don't own.
- The co-owners may impose some restrictions (e.g. 'No lodgers').
- The property will be leasehold and you'll have to pay ground rent.
- If the property rises in value, you'll have to share the profits.
- The property could also go down in value.\*\*
- You may need permission from the housing association for any major home improvements or alterations.

## Who can buy a Shared Ownership home?

Most Shared Ownership homes are available to anyone, but some are reserved for particular groups - first-time buyers, or over-55s, for instance.

Some housing associations will also not allow you to own a second home, because shared ownership is designed to support people getting on the housing ladder. But, that aside, shared ownership is becoming more mainstream across the UK with fewer restrictions.

Some shared ownership homes will allow you to buy (all or some of) the remaining share after a period of time - perhaps once you've progressed a little in your career. This isn't available on all homes, so if it's something that appeals, be sure to check first.

If you acquire the extra share, this is usually at the open market value at the time. So if the value of the property has increased, the cost of the remaining half (for instance) will be more than the half you bought before.

### Tip:

An independent mortgage adviser can advise on whether you qualify, and how much you could borrow.

Please note, we don't currently lend in Northern Ireland.

## How do I find a Shared Ownership home?

Many Shared Ownership properties are new-builds, so be on the lookout for new developments breaking ground in your area.

You can also often find Shared Ownership homes listed on the major property websites (like RightMove and Zoopla) by using the filters when searching.

There are also some specialist websites like Moving Soon, which list only Shared Ownership properties.

## Regional differences



Co-ownership in **Northern Ireland** is limited to properties worth £160,000 or less. You can buy between 50% and 90% of the property.\*



In **Scotland**, the share you don't buy will be owned by the Scottish Government. Scottish Shared Ownership schemes are aimed at households with low to medium incomes, and you must apply to your local council or social landlord to see if you qualify.



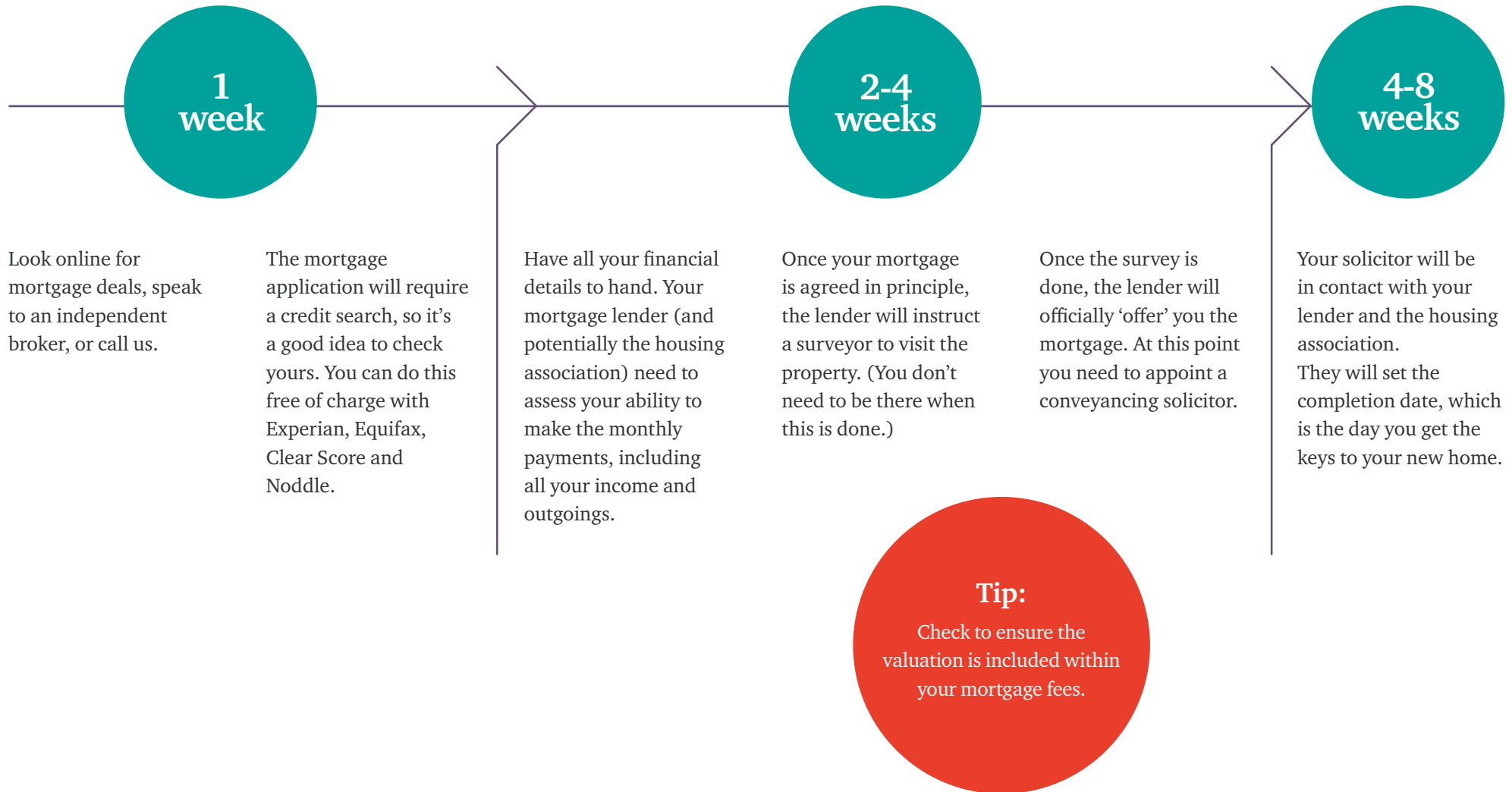
The rules in **Wales** are different. The upper income limit is £60,000, and there are tight restrictions on making changes to your property (like extensions) without your landlord's permission. Other restrictions also apply - contact your local housing association.



In **England**, your household must earn less than £80,000 a year (£90,000 in London) to qualify.

# What's the process?

Once you have found your Shared Ownership home, the next step is to apply for a mortgage.



## About us

We're often described as a 'specialist lender'. But we prefer to think that everyone could benefit from our common sense approach to mortgages. It's something we've been doing for more than 40 years.

That means looking beyond the tickbox criteria of the high street lenders, and looking at each person as the individual they are. And that means we may be able to lend when some others won't.

Talk to us if you need a Shared Ownership mortgage and:

- You're freelance, self-employed or a zero-hours contractor.
- Your credit record isn't perfect.
- It's a high-rise flat (above the sixth floor).

Or especially if several of these apply to you.

## Further reading

See [the Government's guide](#) to Shared Ownership schemes.

You can also get [free impartial advice](#) from Money Advice Service.

This guide is designed to be useful for our customers, and potential customers. A variety of different topics are covered, touching on legal, taxation, financial, and practical issues. However, we offer no warranty or assurance that the content is accurate in all respects, and you should not therefore act in reliance on any of the information presented here. We would always recommend that you consult with qualified professionals with specific knowledge of your circumstances before proceeding (for example: a solicitor, surveyor or accountant, as the case may be).

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**Ready to get started?**

Call 0370 218 5534, or visit  
[togetherness.com/shared-ownership](https://togetherness.com/shared-ownership)

Broker hotline: 0333 331 7374.

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