



Shared Ownership

Starting your journey
into homeownership
the affordable way



Contents

What is Shared Ownership?	3
How does Shared Ownership work?	4
Our Shared Ownership stories	6
Benefits of Shared Ownership	7
Is Shared Ownership right for me?	8
What are the costs of Shared Ownership?	9
The Shared Ownership process	10
How do we allocate homes?	13

What is Shared Ownership?

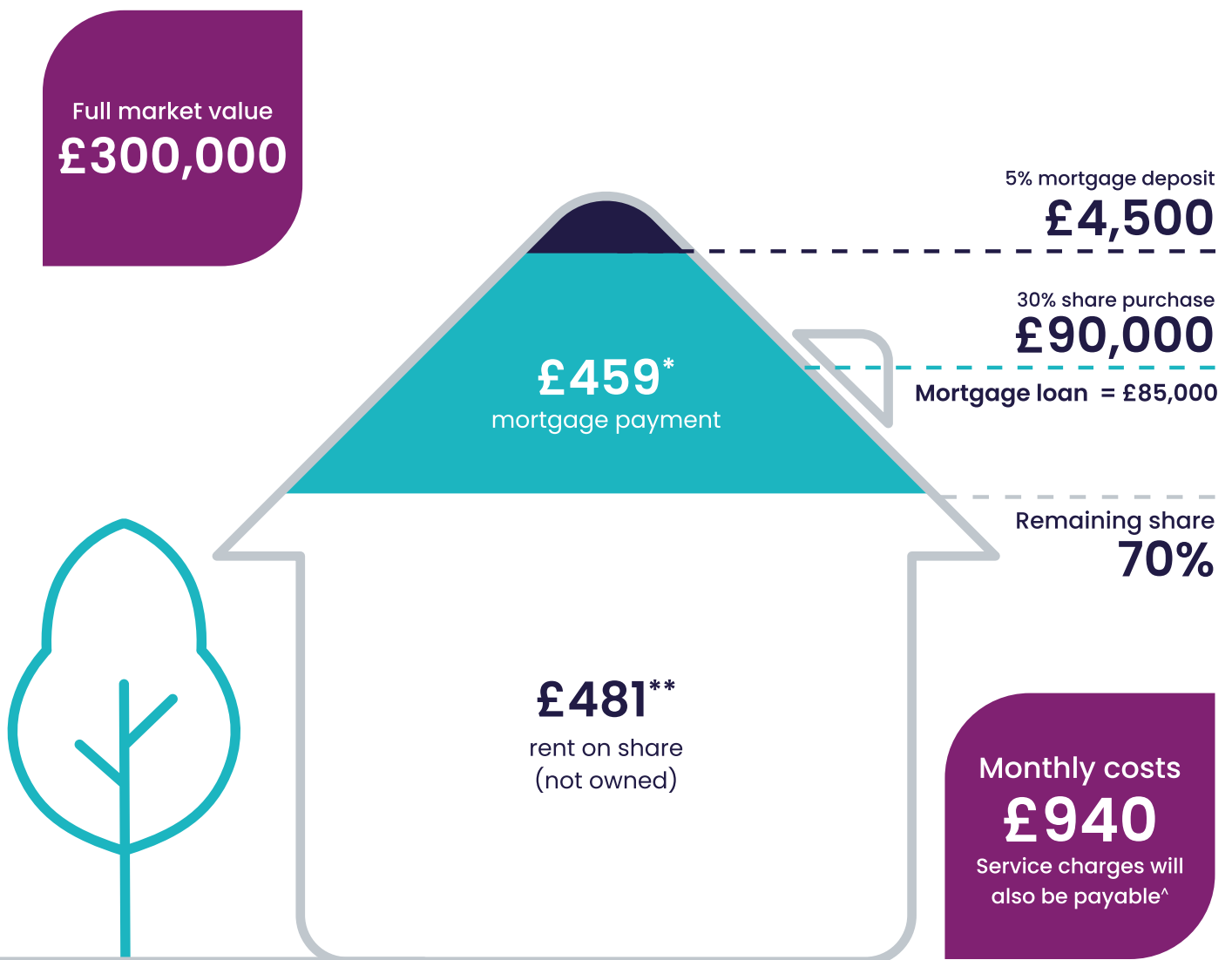
Shared Ownership is a part buy/part rent scheme that makes it possible for first time buyers and those returning to the housing market to purchase a property that otherwise would not have been affordable.



**Shared Ownership
is not just limited to
first time buyers!**

How does Shared Ownership work?

Shared Ownership makes it more affordable to get on the property ladder as it usually allows you to buy an initial share **as low as 25% or up to 75%** of the property value. The share you purchase would normally be funded by a mortgage.



*Based on a 5% interest rate mortgage product and a 30-year mortgage term.

**Calculated at 2.75% of the remaining share value.

[^]Service charges are payable monthly. Costs are subject to the individual development and services provided. Costs provided are indicative and approximate only. Example provided is based on a property with a full market value of £300,000. Individual costs may vary subject to personal financial circumstances. All applicants are required to complete an affordability assessment to determine affordability.

How does Shared Ownership work?

The mortgage deposit you need is based on the share you are purchasing and can be as low as 5%. This means the amount you need in savings is a lot less than if you were to buy a property on the open market.

You will then pay a subsidised rent on the share you don't buy, this is usually calculated at 2.75% of the share you do not own and is generally less than market rent values. Your rent will increase annually by RPI +0.5%. There will also be a monthly service charge payable for estate management.

Shared Ownership generally provides a saving in monthly housing costs versus full ownership of the same property based on a share of 30%.

The combined monthly costs of your mortgage, rent and service charge can sometimes be more than renting, but with Shared Ownership you have the added security of owning your home.



Can I buy more shares in my home?

Shared Ownership allows you to buy further shares until you own 100%*. In this instance, the leasehold for houses will fall away and you will own the freehold. For apartments, the leasehold title remains but your Shared Ownership obligations fall away.

Our Shared Ownership stories

For many, the thought of owning a home is out of reach. But Shared Ownership makes it more accessible by allowing you to purchase a share of the property. This share in your home will provide you with security, equity and stability.

“Shared Ownership wasn’t something we had really considered before, but it has meant that we have been able to purchase a fantastic new home, in an area we know and love.”

Megan, Burnham Court



Thrive Homes knows how important a home is for individuals to feel safe and secure and, we have helped many individuals, couples and families get their foot on the ladder and make that dream of homeownership a reality.

[Click here to read more](#)

Benefits of Shared Ownership

Although you are only buying a share of the property, you are classed as an owner-occupier and a leaseholder. You are free to decorate your new home as you wish and are responsible for its maintenance and upkeep.

However if you wish to make any more advanced changes to your property (such as fitting a new bathroom), you'll need our permission first.

You are entitled to up to **£500 per year** for eligible repairs and maintenance towards your home in the first 10 years of its build life.

Thrive Homes new build Shared Ownership is sold with a 990-year lease. The lease sets out the rights and responsibilities of you, the leaseholder, and also for Thrive Homes as the landlord.



Make your home your own, decorate as you wish.



Is Shared Ownership right for me?

To be eligible for Shared Ownership, you must meet the following criteria:

- Have a household income of less than £80,000
- Not own another home in the UK or abroad
- Be unable to buy a suitable home any other way
- Show that you can obtain a mortgage based on your current financial circumstances
- Pass money laundering and fraud checks
- Understand and can afford the ongoing costs of buying through Shared Ownership



There may be some additional eligibility required based on the specific development such as a local connection. This will be shared when developments are marketed.

Whilst there are income caps, you will need to be earning enough to ensure you can comfortably afford your mortgage, rent, service charge and bills. You will need to go through some initial affordability checks with Thrive or their appointed financial brokers.

What are the costs of Shared Ownership?

As well as your initial deposit and monthly costs of mortgage payment, rent and service charge, other estimated costs when buying are:

- Reservation fee: £500
- Solicitor and disbursement fee: £1200-£1500
(This can still vary from one firm to another, your solicitor will provide you with a quote.)
- Mortgage arrangement and application fees: £500-£2000
(Depending on your lender & mortgage value. Some of these fees can sometimes be added to your mortgage loan.)
- Stamp duty (Cost is dependant on share value being purchased and should be discussed with your solicitor.)
- As with any other home you live in, you are responsible for the council tax and all other household bills



The Shared Ownership process

1

Register your interest in one of our homes

Homes are usually advertised before they are available to view and you may be expected to complete your application before viewing.

2

Complete a quick online affordability assessment

You will be referred to our preferred independent financial advisors to complete an initial assessment online. They will contact you to understand a bit more about your financial position and whether Shared Ownership is the best option for you.

3/4

Fill in a full application form

Here, you can list a selection of your preferred plot choices. The more you choose, the higher the chance of being offered a home.

3/4

View our show home or a take virtual tour

As our homes are usually advertised before they are available to view, you may be given the opportunity to reserve a property before you can see it in person, this is called reserving off-plan.

5

We make you a provisional offer subject to a full financial assessment

We will send you an offer with some key information you need to read through before agreeing and accepting it.

6

Accept our offer

You'll need to pay a reservation fee of £500.

The Shared Ownership process

7

Full financial assessment

- a. You will be referred to our appointed independent financial advisors for a full financial assessment to be carried out. They will do an in-depth check to ensure you are able to afford the home and confirm what share is affordable for you. They will also run through your monthly costs with you and available mortgage products.
- b. You will need to have ready some documentation such as ID, wage slips and bank statements. The broker will advise you of a detailed list of documents they will need.
- c. You are under no obligation to use the IFA used to qualify you to obtain your mortgage.

8

Offer confirmed –

Select your chosen solicitor and mortgage brokers

- a. Thrive Homes will provide you with a panel of solicitors who are very experienced in Shared Ownership conveyancing.
- b. You are under no obligation to use one of our panel solicitors and are free to choose your own.
- c. Some mortgage brokers will charge a fee and some may not.
- d. We recommend you use a solicitor and mortgage brokers who specialise in Shared Ownership as the scheme differs from standard sales processes.
- e. You will need to be able to place funds on account with your solicitor so they can get straight to work as soon as the sale is instructed.

9

Your sale will be instructed –

Memorandum of sale

- a. Thrive Homes will issue a memorandum of sale (MOS) which is an instruction to all parties involved and will contain the details of the property and share you are purchasing.
- b. Your mortgage broker must submit your mortgage application within two days of your MOS being issued. Your mortgage application will run alongside the legal process.

The Shared Ownership process

10

The legal process

- a. Thrive Homes solicitor will provide your chosen solicitor with the relevant legal paperwork and reply to any enquiries raised.
- b. Once all legal matters are dealt with between the two solicitors, you will be required to read and sign your contract and lease agreement, you will be required to pay your deposit funds to your solicitor in readiness for exchange. At this point the sale becomes legally binding.
- c. This process usually takes 6-8 weeks.



11

Completion

- a. If the home is already built, we can set a completion date when you exchange. This is normally within 10 days of exchanging.
- b. If the home is not yet built, you will exchange with completion on notice. This means as soon as the homes are built, Thrive Homes will issue notice and a completion date will be set within 10 working days.
- c. We will always keep you informed on the progress of all new builds.
- d. On the day of completion, we will meet you at your new home to arrange the handover of your keys. This normally happens late afternoon as we can only release keys once the funds are received into our accounts.
- e. If we haven't already carried out a home demonstration, we will run through how everything works and take meter readings on the day of completion. You will also receive a Home User Guide with useful information such as certificates and guides, it will also include how you report any defects in your new home.

How do we allocate homes?

Some of our developments are very popular and we receive more applications than we have properties available.

Where we cannot allocate on a first come first serve basis, we will use the below criteria to ensure we offer homes out in a fair and transparent way.

1. Existing social housing tenants[^]
2. Military personnel
3. Applicants with greatest affordability
4. Applicants with a local connection^{*}
5. Applicants' family composition – bedroom requirements



Thrive
Homes

thrivesales.co.uk