



# Shared Ownership



Garden City Homes



**SHARED OWNERSHIP ALLOWS YOU TO BUY A SHARE IN A NEW HOME. THIS SHARE WILL RANGE FROM BETWEEN 25% TO 75%, DEPENDING ON WHAT YOU CAN AFFORD BASED ON AN AFFORDABILITY ASSESSMENT. YOU WILL PAY A REDUCED RENT ON THE REMAINING SHARE.**

This means that you need to get a smaller mortgage to buy the property, and will also need a smaller deposit.

You can buy more shares as and when you can afford them - this is called 'staircasing'. As you buy more shares your rent will reduce accordingly. You can eventually own 100% of the property, at which point you will pay no rent at all.

You will also pay a service charge, which will include building insurance and a management charge. As a homeowner, you will be responsible for the repairs and maintenance in your home.

## Eligibility criteria

- Must have a local connection to Cheshire East local authority area\*\*\*
- Your household income is less than £80,000 a year
- You do not own a home (if you are a home owner and wish to be considered for shared ownership you will first need to sell your current home)
- Priority is given to serving members of the British Armed Forces, or former members who have been honourably discharged in the last 2 years.

If you can afford to buy the property outright without Government assistance, you will not be considered eligible.

## Financial example

Property value £350,000

50% purchase price\* £175,000  
Mortgage Deposit\*\*

50% monthly rent £401.04 PCM

\*The monthly mortgage repayment costs will be dependent of the lender

\*\*The mortgage deposit is dependent of the lender and can range between 5% to 20%.

Prices are subject to change and annual rent and service charges are applicable.

Service charge and estate charge on application.



# Next Steps



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**Once you have viewed and selected the plot you wish to purchase, you will need to follow these steps:**

## 1. Online application

Apply online at [helptobuynw.org.uk](http://helptobuynw.org.uk) – the Help to Buy team will assess your eligibility for Shared Ownership.

You will receive an email within 4 working days with confirmation of your acceptance or rejection.

## 2. Affordability assessment

Metro Finance carry out all of our affordability assessments. You can either complete an online form at [www.metrofinance.co.uk](http://www.metrofinance.co.uk) or call on **0114 270 1444**. Metro Finance will assess your affordability within 4 working days. Metro Finance will work out the maximum share that you can purchase.

## 3. Documents

On approval, you will be required to submit the following documents to Metro Finance, the information will be required for all applicants:

- Photographic ID (Passport or Driving Licence).
- Your last 3 months' payslips (If self-employed, you will need to provide 3 years of accounts

by a qualified accountant or 3 years of SA302's, if the mortgage lender will accept these).

- Proof of funds for the deposit.
- A 'Mortgage in Principle', this proposes the amount the provider is prepared to lend, the interest rate and the number of years to repay.
- Working Tax Credits (excluding child care credits).
- Last three months' bank statements.
- Signed declaration confirming local connection.

## 4. Payment and reservation

Once our Sales Advisor is happy that all information has been supplied and all criteria satisfied, you will need to pay the £500 reservation fee to secure the property. This can be paid by cheque or by online bank transfer.

You will need to provide your solicitor details at this point.

Once you have paid the reservation fee, the Sales Advisor will arrange for the reservation documents to be issued electronically.

## TIP:

If you are not sure which solicitor to use, we have a panel of recommended solicitors, who are all familiar with the Shared Ownership sales process. Using one of our panel of solicitors helps the sale progress as smoothly and quickly as possible.

\*\*\*Local connection criteria

- Currently lives or has lived in the administrative area of the council and has done so for 6 out of the last 12 months or 3 of the last 5 years.
- Has immediate family living in the area (parent, sibling, child or adoptive parent or child) and have done so for at least 5 years.
- Has a permanent contract of employment in the administrative area of the council.
- Is a member or the armed forces or former service personnel (within 5yrs of their discharge or bereaved spouse or civil partner of a member of the armed forces leaving services family accommodation following the death of their spouse or partner or serving or former member of the reserve forces who needs to move because of serious injury, medical condition or disability sustained as a result of such service.

