

## Low Cost Home Ownership Schemes

A list of schemes available for people who are unable to buy a home on the open market.

### Social Homebuy

- This scheme is for social tenants who do not have the Right to Buy or Right to Acquire, or who cannot afford these options,
- The tenant can buy a minimum share of 25% of the property in which they currently live.
- The remaining share will still be owned by their landlord and the tenant will have to pay a subsidised rent on this.
- Buyers will receive a discount on the share purchased on a prorate basis equivalent to the Right to Acquire discount.
- Further shares can be purchased from the Housing Association at a later date and the tenant could end up owning 100% of their home.
- Not all Social Landlords are participating and not all of the properties owned by those that are qualify for inclusion in the scheme.
- Tenants should contact their landlord for further details.

### New Build Homebuy

- This replaces Shared Ownership as a part buy/ part rent scheme for newly built properties.
- Purchasers can buy a minimum initial share of 25%. The remaining share will be owned by the housing provider and a subsidised rent will usually be payable.
- Purchasers can buy further shares in their home when they can afford to do so and can end up owning 100% of their home, although this may be limited to 80% in some rural areas.
- Most properties will be marketed via the HomeBuy agent which in the South West area is run by South West Homes [www.southwesthomes.org.uk](http://www.southwesthomes.org.uk), tel: 0300 100 0021, email: [info@southwesthomes.org.uk](mailto:info@southwesthomes.org.uk), Hatfield House, Hatfield Road, Torquay, TQ1 3HF.
- The HomeBuy Agent has been appointed by the Government to act as a 'one stop shop' for New Build and Open Market HomeBuy. Although the HomeBuy Agent will market most of the properties available under these schemes there will be some exceptions.

- Anyone interested in applying for New Build HomeBuy will need to add their name to both the Council's and the HomeBuy Agent's waiting list. To do so they need to contact a Housing Advisor on 01803 861234.

### **Shared Ownership**

- Replaced by New Build Homebuy in April 2006, however there will be re-sales of properties sold under previous shared ownership schemes when the existing residents wish to move.
- Registered Social Landlords (Housing Associations) have lists of their own shared ownership properties in the South Hams area.

### **HomeBuy Direct**

- This option offers equity loans towards the purchase of a new build home on selected developments.
- You buy a minimum of 70% of the market value of a property. An equity loan of up to 30% is provided to assist your purchase. There are no payments on the loan for the first five years. After five years there is a fee of 1.75%, which increases annually in line with inflation. You will need to raise a mortgage to purchase through this scheme. You can also use any savings you may have to contribute as a deposit towards the scheme.

### **Rent to Homebuy**

- This option offers new build homes to rent for a period of time with the expectation that you will buy a share of the property at the end of the rental period.
- Homes are available through a range of housing associations on assured shorthold tenancies with an affordable rent of 80% of market rents. The rent is payable for a pre-defined and limited period, after which time there is an expectation that you will purchase the property on the terms of New Build HomeBuy. The rental period provides you with the opportunity to save for a deposit towards buying a share in the home, enabling you to access mortgage availability.

### **NewBuild Discounted Rent**

- This option is also known as intermediate rent and offers newbuild homes to rent at 80% (or less) of typical market rents.
- Housing associations offers this scheme on an assured tenancy, usually for an initial period of 6 months. This is reviewed regularly. When a property is vacated, it becomes available again for rent.

## **H.O.L.D. - Home Ownership**

- For people with long term disabilities. This option is a specially tailored option to assist people with long term disabilities to purchase a share in the property. It is offered by only a small number of housing associations with limited availability. Please contact South West Homes for further details.

## **Right to Buy**

- Offers the opportunity for many Council tenants to purchase the home they live in at a discounted price.
- South Hams District Council owns no housing stock but those who were tenants of the Council before the housing stock was transferred to Tor Homes may still be able to exercise this option and must contact Tor Homes to do so.

## **Right to Acquire**

- Allows eligible housing association tenants to purchase the property they live in at a discounted price.
- Tenants should contact their landlord for more information and to see if they are eligible.