

4. Shared ownership housing

4.1 What is 'shared ownership' and how does it work?

'Shared ownership' is a cross between renting and owning a house, where the occupier purchases a share (25%, 50% or 75%) in the ownership of the property but pays a reduced occupancy charge on the remainder. A number of local housing associations provide the option to share ownership. The occupancy charge goes to the housing association and the mortgage contribution to the building society, bank or other lender.

Shared ownership housing is aimed mainly at people who cannot afford to buy a house outright on the housing market, but are still keen and financially able to make a start on the home ownership ladder and invest some of their money in their property. The occupier's housing costs can vary according to the type of mortgage and the size of the ownership share (e.g. 25%, 50% or more).

Shared ownership occupiers have the right to buy a further equity share after the first year up to and including 100%, which means that they then become the sole owners of the house.

The following housing associations operate shared ownership schemes:

Grampian Housing Association 21 Culbard Street Elgin IV30 1JT Phone: 01343 552779 Email: info@grampianhousing.co.uk Website: www.grampianhousing.co.uk	Langstane Housing Association 21 Culbard Street Elgin IV30 1JT Phone: 01224 423000 Email: info@langstane-ha.co.uk Website: www.langstane-ha.co.uk
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Grampian Housing Association has a total of eight shared ownership properties in Elgin, Forres and Lossiemouth. If you want more information, please contact Grampian Housing using the details above.

Langstane Housing Association has a total of nine shared ownership properties in Elgin and Keith. If you want more information, please contact Langstane Housing using the details above.

4.1.1 How to apply for shared ownership housing and the eligibility criteria

- Anyone can apply for a shared ownership property by filling in and returning a shared ownership application form (this is a separate form from the one used to apply for the association's rented accommodation).
- Associations normally give priority to applicants who are living in public rented sector housing (i.e. housing associations and council tenants) because a

successful allocation to one of these applicants will free up an affordable rented unit for another household in housing need.

- Associations are also expected to give priority to applicants who have never owned or part-owned a home before and who are seeking to step onto the home ownership ladder for the first time. Consideration will, however, be given to applicants who have previously been owner-occupiers, where their personal circumstances warrant it (e.g. significant deterioration in the applicant's financial circumstances or a relationship breakdown).
- Applicants who can afford to buy a house outright on the open market are **not** generally eligible for shared ownership housing, nor are those who could not properly afford to purchase a 25% share of the equity.
- The procedure adopted by associations when considering shared ownership applications, therefore, includes a careful assessment of the applicant's financial circumstances, which requires verification from the applicant's bank or building society that he/she can truly afford and sustain all the costs involved.

It is important to note that, as a sharing owner you will be fully responsible for any repairs and maintenance on your property. This is regardless of the size of share you own and is reflected in the discounted occupancy payment.