

What you need to know...

Shared Ownership

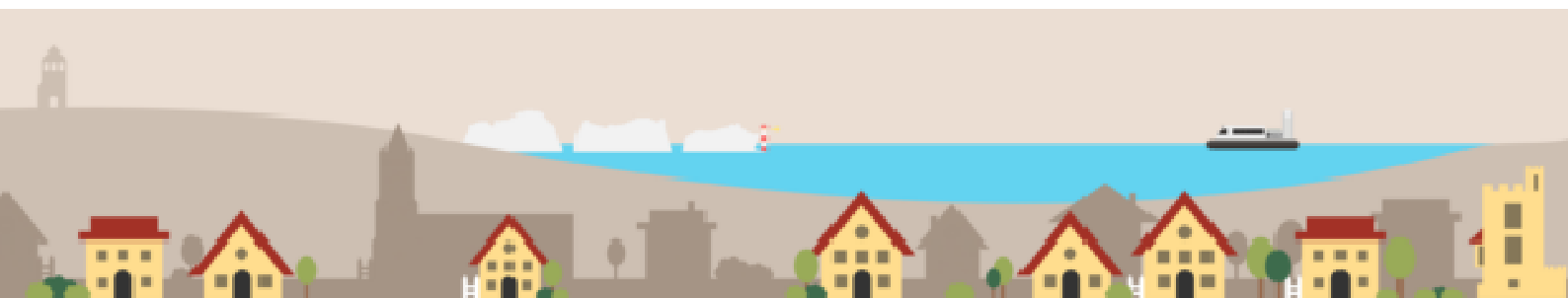


Let's Talk Mortgage

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Shared Ownership via Heylo's 'Your Home' Scheme

Put simply the 'Your Home' scheme provides buyers the opportunity to purchase any freehold property which is more than one year old through part buy - part rent. This means that properties, already for sale on the open market, can be purchased through the *Your Home* scheme.

Who is eligible to apply?

The eligibility criteria is designed to help as many people as possible. As long as you are buying a freehold property available on the second-hand market, and you plan to live in it as your main and only residence you may qualify for the scheme. You must be a British or EU citizen or have indefinite rights to remain in the UK. You can be a **first-time buyer, or a current homeowner looking to move**. The scheme can be just the foot up needed if you want to break out of the renting cycle. There is no upper-age limit.

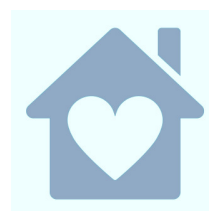


To use the *Your Home* scheme, you will be asked to show that you are financially able, to not only purchase your share of the property, but also to maintain the rent on the unsold share. For this, a good credit history and a regular household income is required. When it comes to determining a deposit to put down to purchase the home, please note that a sufficient **cash deposit of at least 25% of the full market value** is needed to secure the property. The property selected must be of a traditional construction, up to value of £600,000.

Example of a purchase via the Your Home scheme

Full property purchase price			£250,000
Cash deposit	@	25%	£62,500
Further share purchase via mortgage	@	35%	£87,500
Total share purchased	@	60%	£150,000
You pay rent on the remaining 40% share			

heylo
YOUR HOME



$$\text{£} + \text{M} + \text{S/O} = \text{Dream Home}$$

Deposit Mortgage Shared ownership



Buy ANY second-hand freehold property on the open market with a value of less than £600,000* via the Heylo 'Your Home' scheme.

*£800,000 in London

How it Works...the basic details

- Find a Freehold property that you love (has had previous owner).
- There is a maximum home purchase price of £600,000
- You will need a cash deposit of at least 25% of the full market value of the property.
- You can add to your deposit if you wish and purchase a greater share of the property through a mortgage application (*not a requirement*).
- You pay a monthly rent on the part of the property that you don't buy.
- In time, you have the right to buy more – or all – of the property. (If the property has gone up in value, you will be entitled to a discount on your share purchase of 50% of the value increase).
- In the future, if you sell the property, you will be entitled to the full value of the share you bought. (In addition, you will receive 50% of the value increase on the share you didn't initially buy).

Next Steps

- Speak to Prospect Mortgage Services (**Heylo's exclusive Broker partner on the Isle of Wight**) who will undertake an affordability assessment with you.
- Prospect will provide you with a Mortgage Decision in Principle and a *Your Home* Agreement in Principle. Together with your deposit this will make up your full affordability assessment
- Find your dream property and let the Estate Agent know that you will be purchasing via the *Your Home* scheme.
- Prospect Mortgage Services will liaise with all parties on your behalf and undertake the mortgage and *Your Home* applications for you.
- Get the keys and enjoy your new home



heylo **YOUR HOME**

Shared Ownership via Housing Association

Shared ownership is a great way to get on the property ladder. **Traditional schemes are provided through housing associations.** Buyers can purchase a share of a home which is advertised as part of via a housing association scheme (between 25% and 75% of the home's value) and pay rent on the remaining share. Buyers will need to take out a mortgage to pay for their share of the home and **the deposit amount is based on the share of the property the buyer is purchasing (usually at 5%).** As a buyer's finances improve, they can buy more shares in their home. This is known as **staircasing** and, as the percentage of share that a buyer owns increases the rent paid will reduce. The rent is calculated by the Housing Association and will be disclosed before application and a mortgage lender will take this into account when assessing what a buyer can afford.

Example of a shared ownership purchase

Full property value		£250,000
Share purchased value	50%	£125,000
Deposit available	From 5%	£6,250
Mortgage		£118,750
Rent is paid to the Housing Association on the 50% of the property not purchased		



About Prospect Mortgage Services

At Prospect Mortgage Services we deliver high quality, independent mortgage advice. Our team will take the time to get to know your circumstances, objectives, and preferences and then utilise all our industry tools and experience to find the most appropriate mortgage for you.

Making the right choice

There are so many lenders, all offering a multitude of different products and options from which to choose. Being unbiased and independent means, we are confident that we **will** be of help to you. We survey the entire marketplace before making any recommendations to you. Once you understand the proposed deal and are happy to proceed, we will submit your application, after which we work just as hard to keep you informed and up to date with the progress of your mortgage and house purchase.

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