

Guidance notes for applicants accessing **shared ownership**

Key Information Documents

What is a Key Information Document? A Key Information Document provides standardised information about a shared ownership home.

All new homes have Key Information Documents (KIDs), individual to the house type. You will be able to find a link to them in the advertisement for each of the house types on our website.

www.plusdane.co.uk/find-a-home/homes-to-buy/new-homes/

For homes that have previously been owned and were developed using grant funding from 2016 onwards, the initial KID document will be provided to purchasers via the estate agent selling the home. Plus Dane will provide KID 2 and KID 3 as part of the sales process.

Summary of the application and assessment process

To be eligible for a shared ownership home, you must meet certain criteria.

Essential

Applicants must be over 18

Household income must be less than £80,000

No other interest of any kind in land or property

Unable to afford to buy outright on the open market

Able to demonstrate the affordability of monthly outgoings

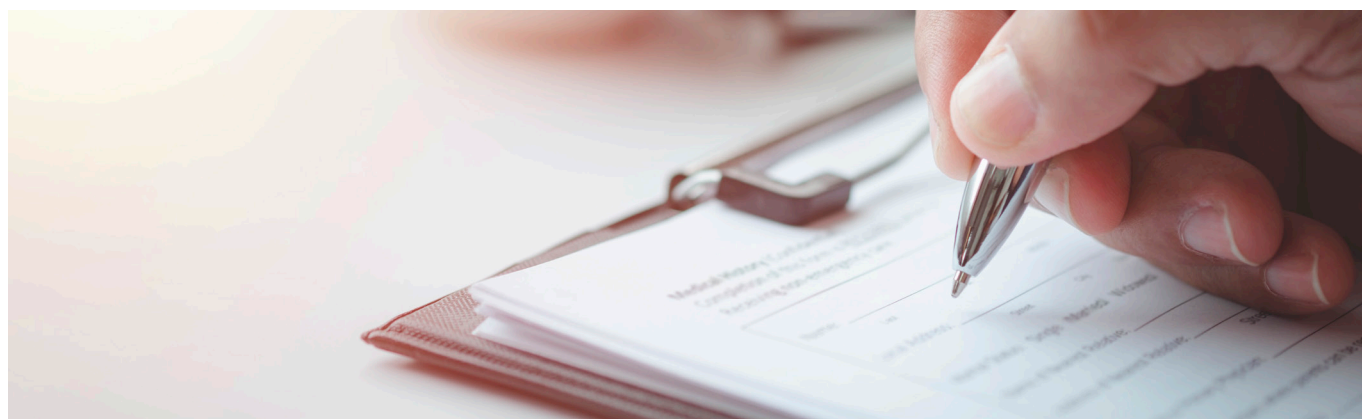
Non-essential

First time buyer

You may need to provide proof of the above on request.

Reasons you might not qualify for a shared ownership home:

- You have adverse credit history (for example, struggling to make repayments)
- There has been a change in your financial circumstances between initial application and exchange of contracts, (like a change of job or new relationship). If this happens, your eligibility will be reassessed.



The application process

All applicants will need to fill out the shared ownership application form for us to assess eligibility.

- Sole applicants would become the sole legal owner, however any other occupant's income, over the age of 18, will be included in the gross household income.
- Joint applications will only proceed where both or all applicants become joint legal owners of the home.
- It is not possible for a Trust Fund to become a joint legal owner of a shared ownership home.

We ask all applicants to confirm whether they, or any close relatives are employed by Plus Dane Housing. If a conflict of interest is identified, the colleague with the declared interest will have no input into the allocations process.

Colleague and Board member applications may be accepted in certain circumstances if all eligibility criteria and regulatory requirements are met. No preferential treatment or advantage will be given. Any offers to be made will be authorised by the Director of Growth.

Affordability

The affordability of each applicant will be assessed, free of charge, by our chosen panel firm by means of a budget planner.

You should have sufficient savings to meet the one-off costs of buying a shared ownership home such as deposits, valuations and survey fees, legal fees and moving expenses, and access to funds or a mortgage for your share of the purchase.

Each applicant is expected to be able to provide a deposit of at least 5% of the share value. A minimum £3000 deposit will be required. You will need to be able to provide evidence of the source of these funds where requested.

An applicant's income should not be enough to enable them to purchase a property outright. The household income should not be more than £80,000.

If you are in receipt of benefits - such as housing benefit - you can still apply for low cost home ownership (LCHO) products, subject to affordability and sustainability assessments.

We encourage applicants to buy the maximum share they can afford and sustain.

We will sell shares flexibly in accordance with the applicant's specific circumstances (eg, not just to nearest 10%), and will not sell all properties in a scheme at the same share rate (e.g. all at 25%).

We cannot give mortgage advice or recommend lenders or mortgage products. Applicants are encouraged to use their own independent financial advisors, or we will signpost you to a chosen panel firm if you do not have one.

To avoid the risk of repossession we will not approve sales to applicants who have obtained sub-prime mortgages.

Further information can be found in **Homeshub's Home Ownership Policy**.

Documents required for the affordability assessment

Our chosen panel firm will carry out a free affordability assessment. You will need to provide the following documents:

- Your last three months of payslips (or tax overviews and calculations if you are self-employed)
- Your last three monthly bank statements
- Evidence of your deposit and audit trail of funds
- Gifted deposit letters
- Proof of address
- Passport or Driving Licence

Please have each of the documents saved as a PDF. Bank statements will need to be downloaded from your online bank, rather than screenshot.

Please be aware that we operate a first-come-first-served policy on our shared ownership homes.

Our homes may also be subject to other policies such as a:

- Minimum deposit policy, adverse credit policy, or more
- Minimum surplus income policy

Further information can be found in **Homeshub's Home Ownership Policy**.

If you do not meet one or more of the eligibility criteria for the shared ownership scheme, are unable to meet the requirements of the affordability assessment, are unable to meet one or more of Homeshub by Plus Dane's policies in this regard, or if you are unable or unwilling to provide the required information or documentation, your application is likely to be declined.

If you wish to purchase a different share level - higher or lower to that deemed affordable by your affordability assessment - without providing a justifiable reason why, Homeshub by Plus Dane can either make you that offer, or decline your application.

The table shows you which organisation is responsible for each part of the shared ownership application and assessment process. Any queries, questions and complaints relating to should be directed to the correct organisation.

| Application / Assessment Element | Responsible Organisation |
|--|--------------------------|
| Applicant eligibility and prioritisation | Homeshub by Plus Dane |
| Financial assessment of affordability | Metro Finance |
| Decision to accept or decline an application and at what share level | Homeshub by Plus Dane |
| Application of provider specific policies | Homeshub by Plus Dane |
| Mortgage advice (if requested) | Metro Finance |
| Complaints regarding application or share decision | Homeshub by Plus Dane |
| Complaint regarding mortgage advice | Metro Finance |