



Buyers guide to **shared ownership**

WestKent

Places to live. Space to grow.

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Introduction to shared ownership

Giving everyone the opportunity to own a home

Shared ownership is a great way for both first time and experienced buyers to get on the property ladder if you are unable to purchase a suitable home on the open market. It allows you to buy a part share in a home and pay a subsidised rent on the remaining share.

The total cost of the mortgage you purchase and the monthly subsidised rent on the share that you don't own usually works out cheaper than buying outright. It's also often not much more than renting, but you are investing at the same time!

We are proud to offer shared ownership to people as an option to have a beautiful home to call their own. More than 1,000 individuals have had the opportunity to purchase a home with West Kent through the shared ownership scheme.

Our 1,000th shared owner shares her positive experience with us



Watch Melanie's experience



Making sure that shared ownership is right for you

The shared ownership option has been available across the whole of the UK since the 1970's on both new and older homes. You can buy a home through the shared ownership scheme if you cannot afford all the deposit and mortgage payments for a home that meets your needs on the private market.

You buy a share of the property and pay rent to West Kent on the remaining equity share. The share you can buy is usually between 25% and 75%. However on some grant funded schemes you can buy as little as 10%.

You can take out a mortgage to buy your share or pay for it with savings. You'll also need to pay a deposit, usually between 5% and 10% of the share you're buying.

All shared ownership homes will have a lease in place, new homes are sold with a 999 year lease which in most cases if you decide to staircase and purchase the remaining share will fall away making you a private owner.

Although there are restrictions on the total annual household income to be eligible for shared ownership (£80,000), your income will need to be high enough to ensure you can afford the mortgage, rent, service charge, bills, and leave a minimum of 10% disposable income each month. An affordability assessment is carried out by one of West Kent's panel financial advisors for free before we allocate a property to you. You can find out more on eligibility on [here](#).

We want to make your experience as seamless as possible. We know shared ownership can be quite complex, so we're on hand at any point of the process to explain and reassure you.

How it works



Buy an initial share of as little as 25% or as much as 75% buyers typically purchase 35%. Lenders usually ask for a minimum of 5% deposit of the share amount.



Pay a subsidised rent on unowned share and monthly service charge to West Kent. The service charge covers maintenance of communal areas, grounds, buildings insurance and West Kent management fee.



Example - two bedroom house

Full market value: **£310,000**

35% share: **£108,500**

Deposit 5%: **£5,425**

Minimum annual income: **£34,583**

Rent: **£461.77 per month**

Mortgage*: **£631**

Service charge approx.: **£60 per month**

Total monthly cost: £1,152.77

*Figures based on 35% share, rent is 2.75% of unowned share, mortgage is calculated at 5.2% for 25 years.
Please speak to one of our panel mortgage advisors [here](#) arrange a mortgage for your home.

Want to purchase more shares of your home?

As time goes on you can purchase more shares in your home until you eventually own 100% - This is called staircasing, the higher share you own the less rent you will pay to West Kent. The amount you pay for the further share is based on a current valuation of the property.

What happens when you want to sell?

You can sell your share whenever suits your circumstances. Your home will be advertised based on the current market value so if the value goes up from when you purchase then so will the return on your share. West Kent will market your home for you and then liaise with all parties until the sale is complete.

CGI of apartment at Pippin Court, Greenhithe





Eligibility and prioritising shared ownership

Shared Ownership has been designed to help out individuals that are not able to purchase on the private market.

To be eligible for shared ownership your total household income must be less than £80,000. You also must not be on the deeds to another property (if you currently own a home you would need to provide a memorandum of sale that it is currently being sold) and you will need to discuss your current circumstances with the team so we can better understand your situation.

Most of West Kent's shared ownership homes are allocated using the first come first serve process. This means that once we are in a position to launch the homes for sale, all applicants will be contacted and will need to contact an independent mortgage advisor who will assess affordability and email us directly with the outcome and your preferred plot. The time and date this is received will determine which home will be allocated to you.

In some cases there are additional priorities which are set by the local authority which override the above process for an arranged length of time.

[How we allocate our shared ownership homes](#)

Your journey **at a glance**



1

Register your interest by completing an application form

By confirming the areas you are interested in, a member of the team will confirm what homes are coming soon or add you to the relevant list for your preferred development.

www.westkent.org/buy



2

Getting financially assessed

Before you are able to reserve a home you would need to complete a full financial assessment by an independent mortgage advisor (either from West Kent's panel or one of your own) who will confirm the share you can proceed with, once approved you can then select your preferred home.



3

Viewing the home or reserving off plan

You can use our marketing material and specification to reserve 'off plan', choosing a specific plot. Or you can view the home if it's already built.



4

Offering the home and paying the £250 reservation fee

Once the home is allocated to you and you've had sign off from an independent mortgage advisor an offer letter will be prepared and the reservation fee payment will be made to remove the home from the market.



5

Instructing a solicitor and mortgage advisor

You will need to formally instruct a solicitor and mortgage advisor to act on your behalf, you can choose from our panel of suggested solicitors and advisors if you wish or appoint your own. We will need this information to progress to the next step.

Ensure you check with all providers what their fees are so you can budget for your costs and check the solicitor you choose are on the panel for your selected lender.

Your journey **at a glance**



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Fees

Ensure you check with all providers what their fees are so you can budget for your costs and check the solicitor you choose are on the panel for your selected lender.



7

Securing a mortgage

Your selected financial advisor will then begin the process to submit your full mortgage application, following this a RICS valuer acting for your selected lender will attend the property and check the value given for the home.

Once approved your mortgage offer will arrive with you and your solicitors for checking and signing.



8

The paperwork

Once we receive confirmation of the previous steps we can complete the memorandum of sale and issue to both solicitors where they can raise any enquiries about the contract and lease agreement on the property.

This takes roughly 8 weeks to complete to get you to a point of exchange. Depending on if we have taken handover of your home we can then discuss completion dates however if it is an off plan sale we may have to wait until we get the keys before a date can be agreed.



9

Completion

On completion day the money to buy your home is transferred to our solicitors and this is when we can release the keys to you and you become a home owner through shared ownership!



10

Moving in and getting settled

When one of our team meet you at your home they will show you how everything works and be on hand to answer any questions you may have. They will also take meter reading and give you some useful information.

Information on our frequently asked questions will be provided as we know you will be eager to start moving in!

The cost of buying a shared ownership home

The following figures are to give you an idea of the costs involved when buying a shared ownership home. Example shown is based on a two bedroom house.



Cost of the property
£310,000



35% share
£108,500



Deposit
£5,425



Monthly costs
£1,152

Rent: £461.77
Mortgage: £631
Service charge: £60



Other estimated costs*

£250: Reservation fee

£700-£1,000:
Solicitor fees

£600:
Legal disbursements

£300-£500:
Mortgage advisor fee

£0-£800:
Mortgage valuation fee

£0-£999: Mortgage arrangement fee

If stamp duty applies then it can be payable when you purchase or at a later date if you decide to staircase, this would need to be discussed with your acting solicitor.

*The figures shown are estimated and it is recommended to get quotes and research who carries out your transaction.

How to get in touch

For information on our available homes and upcoming schemes please visit www.westkent.org/buy and select 'Search for Home'.

Any questions for our team?

Contact us

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sales@wkha.org.uk

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