



Hyde
New Homes



A guide to **shared ownership**

Great homes for everyone

"The shared ownership scheme meant my budget could stretch to two bedrooms which is a real bonus. The apartment is a long-term investment, and I am already planning to increase my equity share in a couple of years, and eventually buy my home outright."

Janina Mars
Rochester Riverside



In this guide we will explain what shared ownership is and take you through the process of buying a shared ownership home from Hyde New Homes

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What is shared ownership?

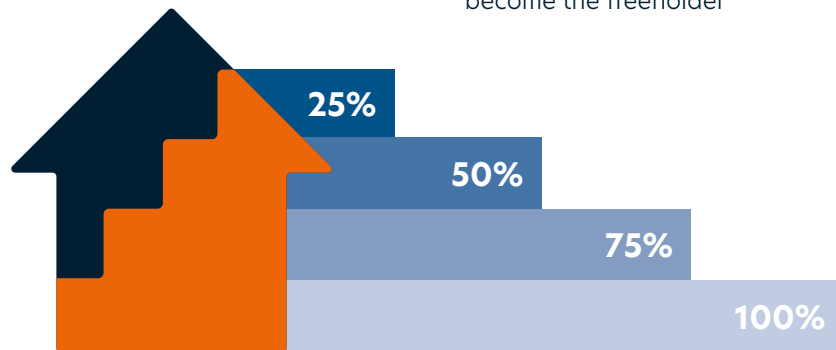
- A government backed scheme for people who may be unable to buy at full market value
- Own a share of your home and pay a subsidised rent on the remaining share
- Shared ownership lets you buy your home with a much smaller deposit than required when buying at full market value
- You can increase your share over time until you own your home outright

Who's eligible?

- Anyone with a household income under £80,000 per year or £90,000 per year in London
- You will need to have a financial assessment to make sure that your income comfortably covers mortgage payments, rent, service charge and bills

How does shared ownership work?

- At Hyde, the minimum initial share you can buy in a new home is 25% (staircasing guide says 10%)
- The maximum initial share you can buy is 75%
- You will only need a deposit for the share you buy
- As a shared owner you will be a leaseholder
- You will pay a mortgage on the share you buy and a subsidised rent to Hyde on the remaining share
- The leases on our new build homes are typically 999 years
- You can buy more shares until you own your home outright
- Once you own your home outright, you will no longer pay rent and you will become the freeholder



Buying more shares

- The process of buying more shares in your home is called Staircasing
- The higher the share you own, the less rent you have to pay us
- The price you pay for extra shares is based on the market value of your home at the time, which could go up or down

Selling on

- You're free to sell your shared ownership home at any time
- The value of your home will be based on the market value at the time you wish to sell
- If the value of your share has increased so will your share of the sale

Costs of buying a new build shared ownership home

These example costs are based on a one bedroom apartment at Harrow View East.

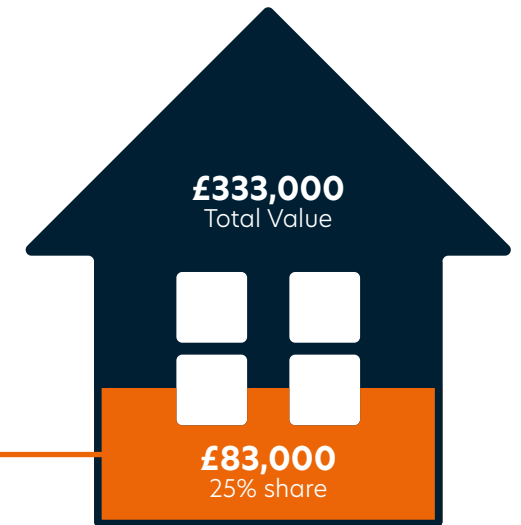
10% deposit: £8,325*

Monthly costs: £1,109

Mortgage: £395
Rent: £572
Service charge: £142

Other estimated costs

Reservation fee £500
Solicitors fee £700
Legal disbursements £600
Mortgage advisor fee £400
Mortgage arrangement fee £0-£999



*Sometimes a lower deposit is possible on selected plots.

The buying process

Steps 1-5

1

Register your interest

2

Financial assessment

3

Viewing a home and making a reservation

4

Offering you a home

5

Appointing a solicitor

6

Memorandum of Sale

7

Home demonstration

8

Move in day

9

10



1 Register your interest

- Set up a My Hyde account at www.hydenewhomes.co.uk
- Fill out a shared ownership application form online
- We will check your eligibility
- Start receiving updates on available new homes and those coming soon
- Use your My Hyde account to search for homes and book/manage your viewing appointments

2 Financial assessment

- When you find a home you are interested in we will put you in touch with an independent mortgage broker for an initial assessment of your finances



3 Viewing a home and making a reservation

- We will invite you to view our show home
- In some instances we sell off-plan and will send you all the details of available new homes
- All of our new build developments have brochures that include site plans, floor plans, and details of finishes and specifications
- Once you find your dream home you can reserve it for £500
- We will refund the £500 reservation fee if you decide not to go ahead or if we are unable to offer you the property of your choice



4 Offering you a home

- Once you reserve a home we will confirm whether we can offer it to you within seven days
- If we have more than one reservation then we will offer in line with our eligibility criteria
- Once a home is offered you can formally accept by returning our acceptance form

5 Appointing a solicitor

- We will send you details of our panel of solicitors along with the formal offer
- The solicitors on our panel have fixed fees and considerable shared ownership experience
- You may appoint your own solicitor but you cannot use the same solicitor as Hyde New Homes

We recommend that you obtain a quote for the likely costs before you appoint a solicitor. The costs will include the solicitors fee for their work and all disbursements.

When acting on your behalf your solicitor will:

- Make sure you have all the details you need to help you buy your home quickly
- Check the lease and liaise with your mortgage lender and our solicitors
- Carry out searches, check the ownership and ensure there are no planned developments that will affect your new home
- Check that all the legal paperwork and your mortgage are in place in time for you to move into your new home



The buying process

Steps 6-8



6 Memorandum of Sale

- Once we have received your acceptance we will issue a Memorandum of Sale
- The Memorandum of Sale summarises the details of the sale and confirms the date by which you will have to exchange contracts
- If you haven't already, it is time to arrange your mortgage
- Your mortgage lender will request references from your employer, bank and landlord
- Your mortgage lender will value your new home to make sure it is worth what you are paying
- Once you have received a formal mortgage offer your solicitor will raise enquiries to proceed to exchange of contracts



At this stage, it may appear that nothing is happening but behind the scenes all parties will be working on the legal process

- If your new home is still being built when you exchange contracts we will give you a date by which you can move in
- Your sales consultant will keep you updated on the build progress

7 Home demonstration

- Before you move in, we will invite you to a home demonstration to show you how to use all the appliances and systems in your new home
- If it is more convenient we can also offer the demonstration via video call

8 Move in day

- On your completion day your mortgage lender will send your solicitor the money for your home
- Your solicitor will then pass this on to our solicitor
- Once this has happened you become the legal owner of your new home
- Our sales consultant will meet you at your new home to welcome you and give you your keys
- Our sales consultant will take meter readings and answer any questions you may have
- You will receive a new home guide with useful contact details and relevant warranties for appliances



After you move in

Around six weeks after your completion day you will receive a call from a company called 'In House' who will ask you a few questions about your experience. This feedback is really useful in helping us to ensure that we offer the best service possible.

Shared ownership is a great way to get on the property ladder and enjoy the security of owning your own home at a cost you can afford. We pride ourselves on helping our customers every step of the way.



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Details correct at time of publication: January 2023