

SHARED OWNERSHIP SALES AND ALLOCATION POLICY

Approved:

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Next Review: 30 July 2027

1. Eligibility criteria for shared ownership applicants

To be eligible for a shared ownership property applicants must:

- Not earn over £80,000.
- Not own another home at the time of purchase (if they are a current home owner they must have a sale instructed before being made an offer of a property)
- Meet the financial criteria (Section 3)

2. Allocation

Shared ownership properties will be allocated in accordance with Homes England guidelines. Priority will be giving to serving military personnel. Any conditions imposed by the planning permission or nomination agreement should be adhered to when homes are allocated. Such agreements often seek to ensure that the properties are sold to people with a local connection or to existing social housing tenants releasing a rented property.

Nominations agreements may include a 'cascade' arrangement that sets out which groups of applicants should be considered first. Priority is given to applicants in the order of those categories but Hightown will always seek to reserve the right to sell to anyone in housing need from any area once the list of applicants has been exhausted or the deadline for receipt of nominations set out in the agreement has passed.

If there are no Serving Military Personnel and the nomination agreement has been adhered to applicants will be offered a shared ownership property on a first come, first serve basis.

All allocations will be assessed based on the date of receipt of a completed application form and all required supporting documentation. If additional information is required, the applicant(s) will need to submit this information within 2 working days otherwise the property can be allocated to the next applicant(s).

Once an application has been received and approved the reservation fee should be requested and paid within 2 working days. If it is not the property can be allocated to the next applicant(s).

3. Financial Criteria and Assessment of Applicants

Purchasers of a shared ownership property must:

- have a maximum household income of £80,000. (On non-grant funded schemes, where a property's value exceeds £350,000, the Chief Executive has the authority to increase this cap to broaden the pool of potential purchasers and make such properties available to people who would not otherwise be able to afford them)
- Be spending no more than 30% of their net income on mortgage, rent and service charge payments
- Be left with surplus income of 10% after deduction of expenses

All applicants wishing to purchase a shared ownership property, either with or without a mortgage, will need to be qualified by an Independent Financial Advisor (IFA) from Hightown's panel of IFAs. Hightown's panel of IFAs have considerable experience of shared ownership mortgages. Every applicant will have their initial financial check carried out by an IFA to see if they meet the affordability requirements to buy the property and to determine the maximum share percentage they can afford. The applicant does not have to use the panel IFA to obtain a mortgage, but they must purchase the same percentage share as Hightown's Panel of IFA's has determined they can afford.

The IFA will email the affordability calculator and completed budget planner for each applicant to the sales team.