

The Aims of Low Cost Home Ownership

To extend the opportunity of home ownership to as many people as possible who would otherwise not be able to afford to buy on the open market. Such housing schemes can also provide assistance to Keyworkers in finding affordable accommodation.

What is Low Cost Home Ownership?

An opportunity to buy a residential property at a lower price than full open market value. This can take a number of forms but up to recently the majority will have been on Shared Ownership terms with a housing association. However, a recent government led housing initiative has rebranded shared ownership as New Build HomeBuy along with the introduction of Open market HomeBuy, First Time Buyers Initiative and Social HomeBuy.

What's the difference between Shared Ownership and New Build HomeBuy?

Not a lot, they are very similar. Both are 'part buy, part rent' arrangements with opportunities to buy bigger shares later right up to full 100% ownership and most will be offered by housing associations. With Shared Ownership you would typically buy a 50% share but with New Build HomeBuy shares between 25% and 75% can be acquired, subject to affordability. As larger shares are bought, less rent is paid and with eventual full ownership no rent is paid at all. These home ownership opportunities are widely available in the Swindon area.

The eligibility for Open Market HomeBuy and First Time Buyer Initiative (FTBI) is more restricted and has limited availability. For further information on the Open Market HomeBuy and First Time Buyers Initiative please contact New Futures on Tel. 0800 073 1315 or by email enquiries@homebuy-southwest.co.uk

At the time of producing this leaflet (Winter 2006) there are funds available for Open Market Homebuy to help Social Housing tenants into home ownership. Funds for FTBI properties are not expected in the South West until sometime in 2007 at the earliest. Social HomeBuy is only available from a few participating landlords which does not include Swindon Borough Council.

Are there any other types of Low Cost Home Ownership?

Yes. For example in the past Swindon Borough Council had been able to offer about 60 Shared Equity houses in total, for sale in Covingham, Eldene and Abbey Meads. These were called Resale Covenant Schemes and purchasers bought a 70% or 75% stake but have no rent to pay on the unpurchased part. There are no such new schemes, but resales are available occasionally and owners will come to us when they wish to move.

Swindon Borough Council Housing & Social Care operates a specific database of home ownership enquiries in order help applicant's access low cost home ownership properties within the Borough.

Please ask for a registration form if you would like to be included on this database. A brief summary of available properties is also available. See contact details at the end of this leaflet. Once registered on the database your details can be passed to the organisations selling low cost home ownership properties in the town so that details can be obtained.

What will it cost?

Buying a property under any scheme will involve all the usual costs associated with house purchase such as:

- Valuation/survey fee
- Solicitors costs
- Land Registry fee
- Search fee
- Stamp duty (depending on price)
- Deposit (depending on lenders particular policy)

Costs will vary depending on the value of the property and the share being purchased. As a guide it is probably necessary to have available funds amounting to about £2,500.

In addition to these initial 'one off' costs and the usual living expenses like gas, electricity, water and council tax for example, you will also have to meet ongoing expenses like: monthly mortgage repayments, rent (if shared ownership), maintenance, repairs and insurance. These amounts will also vary.

