

4. SHARED OWNERSHIP HOUSING



What is 'Shared Ownership' and how does it work?

'Shared Ownership' is a cross between renting and owning a house, where the occupier purchases a share (typically 25% or 50% sometimes 75%) in the ownership of the property but pays a reduced rent on the remainder. In Perth and Kinross the following Housing Associations provide the option of shared ownership: Gowrie Housing Association, Hillcrest Housing Association, Perthshire Housing Association and Servite Housing Association¹. The rent goes to the housing association and the mortgage contribution to the building society, bank or other lender.

Shared ownership housing is aimed mainly at people who cannot afford to buy a house outright on the housing market, but are still keen and financially able to make a start on the home ownership ladder and invest some of their money in their property. The occupier's housing costs can vary according to the type of mortgage and the size of the ownership share (e.g. 25%, 50% or more).

Shared ownership occupiers have the right to buy further 25% tranches of the equity up to and including 100%, which means that they then become the sole owners of the houses.

¹ The Housing s Mobility and Exchange Services(HOMES) holds a database of providers of shared ownership properties and existing sharing owners wishing to move throughout Scotland and England. A **leaflet** is available from HOMES, 6 Palmerston Place, Edinburgh EH12 5AA. - 0131-226 7216. For an **application form** contact HOMES, 242 Vauxhall Bridge Road, London SW1A 1AU – 0171 963 0246

Whereabouts of local shared ownership schemes:

Housing Association	Location	Types of property
Gowrie Housing Association	Perth	General needs
Gowrie Housing Association	Alyth	General needs
Hillcrest Housing Association	Auchterarder	General needs – flats
Hillcrest Housing Association	Blackford	General needs – cottages
Hillcrest Housing Association	Comrie	General needs - flats and houses
Hillcrest Housing Association	Crook of Devon	General needs – houses
Hillcrest Housing Association	Kinross	General needs – flats
Hillcrest Housing Association	Milnathort	General needs - flats
Perthshire Housing Association	Aberfeldy	General needs - flats and houses
Perthshire Housing Association	Almondbank	General needs - houses
Perthshire Housing Association	Blairgowrie	General needs - flats and houses
Perthshire Housing Association	Coupar Angus	General needs - houses
Perthshire Housing Association	Errol	General needs - flats
Perthshire Housing Association	Perth	General needs - flats and houses
Perthshire Housing Association	Pitlochry	General needs - flats and houses
Perthshire Housing Association	Ratray	General needs - flats and houses
Perthshire Housing Association	Scone	General needs - flats
Servite Housing Association	Blairgowrie	Amenity
Servite Housing Association	Coupar Angus	Amenity - cottages
Servite Housing Association	Perth	Amenity – flats
Servite Housing Association	Pitlochry	Amenity - flats and houses

How to apply for shared ownership housing

- ⊥ **Apply to Perthshire, Hillcrest or Gowrie Housing Association for an application form for shared ownership. For Servite shared ownership apply to Lynsey Mann Thortons Property Shop 3 Whitehall Crescent Dundee 01382 200019**

Perthshire Housing Association Scott Street Perth 01738 441088
Hillcrest Housing Association South Ward Road Dundee 01382 224083
Gowrie Housing Association 21 South Tay Street Dundee 01382 202050

The eligibility criteria

- ⊥ Associations normally give priority to applicants who are living in public rented sector housing (i.e. housing associations or council) because the effect of a successful allocation to one of these applicants is to free up an affordable rented unit for another household in housing need.
- ⊥ Associations are also expected to give priority to applicants who have never owned or part-owned a home before and who are seeking to step onto the home ownership ladder for the first time. Consideration will, however, be given to applicants who have previously been owner-occupiers, where the personal circumstances warrant it (e.g. significant deterioration in the applicant's financial circumstances or a relationship breakdown).
- ⊥ Applicants who can afford to buy a house outright on the open market are not eligible for shared ownership housing, nor are those who could not properly afford to purchase a 25% or 50% share of the equity.
- ⊥ The procedure associations use for considering shared ownership applications, therefore, includes a careful assessment of the applicant's financial circumstances, which requires verification from the applicant's bank or building society that he/she can truly afford and sustain all the costs involved.