

## Eligibility Criteria

- Details of income and savings
- Usually a Housing Association will use 3½ gross income as a guide to mortgage eligibility. However, affordability will also be a key factor when accessing eligibility for a particular property.
- Savings and equity in currently owned property will also be taken into account.
- Applicants must be over 18 years when purchasing a property.
- Students over 18 years, who are not in employment, may register their interest in Affordable Home Ownership, but will not be offered a property without evidence of being able to purchase.
- All application forms received and which meet eligibility criteria in principle, will be registered in date order and when properties/developments or funding become available, you will be contacted and asked to complete a scheme specific application form and provide proof of income and savings, by way of payslips, bank statements, etc.
- All applicants on the register will receive a letter every six months requesting confirmation of whether or not they wish to remain on the register. If no reply has been received within 14 days, your membership on the register will be deleted.
- If your application is refused, you may write to the Monitoring Officer to appeal, stating your reasons.

Flintshire County Council is dedicated to help as many local people as possible to find homes which meet their needs.

### Affordable Home Ownership Is Not Available To Those Who:

- Are not UK or EU/EEA passport holders and whose passport is not stamped with Indefinite Leave to Remain.
- Have benefited from affordable home ownership initiatives in the past.
- Can afford to buy a property on the Open Market.

By working with our Housing Association partners and local Developers, we will use every way we have to provide Affordable Home Ownership within the County of Flintshire.

### For further information, please contact:

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## What is Affordable Home Ownership?

Affordable Home Ownership is intended for people who are unable to afford to purchase a property or rent privately.

Through legal agreements it is now possible for local people to buy their own home.

There are **six different types of affordable housing** which are listed overleaf.



## Shared Ownership involving Developer/Housing Association

Shared Ownership allows you to buy a share of your home/new home (usually 50%) and to rent the other part from a Housing Association/ Developer.

You would need a mortgage and/or savings to finance the part you are purchasing as well as paying a monthly rent and service charge to the Housing Association/Developer.

You can usually buy further shares in the property, but this is dependant on each scheme.

Please note that homes are sold on a Leasehold basis if involving a private developer.

## Shared Equity involving a Developer

Housing Developers sometimes offer assistance of a third party who takes an equity share in the property to help fund the purchase. The third party's equity share is secured by way of a second charge, and is usually in the form of an interest free, payment free loan that only becomes repayable by a specific date in the future or on resale, together with a share of any increase in the value of the property.

## Discounted Sale

Housing Developers sometimes agree to sell some new homes at a discounted price. You would purchase an agreed share of your new home without having to pay the full purchase price or rent on the remaining share.

Housing Associations usually carry out the selection and allocation process on behalf of the developer.

## Homebuy

You will usually be given a loan of 30-50% (the percentage is dependant on location 50% is only available in designated rural areas), of the Open Market Value of the property you wish to purchase; you will have to finance the remaining percentage. The percentage loan could vary depending on your financial circumstances and the purchase price of the property. There is no monthly rent or interest payable on the loan, but when the property is sold, you will have to re-pay the percentage of the Open Market Value of the property at that time. (Applicants must satisfy Welsh Assembly Government eligibility requirements.)

## Rent to Buy

Housing Developers may allow you to rent a property on the basis of an Assured Shorthold Tenancy. The affordable rent will be a percentage of the market rent or less. This would then allow you to save for a deposit to later buy or buy a share in your home.

## Plots for Sale (Self Build)

Housing Developers may offer serviced self build plots for you to purchase at an affordable price, the land will be sold to you freehold, but will have resale restrictions imposed on your legal ownership.

## Things To Consider

In addition to the price of buying your new home, there will be other costs that you will need to consider, these include:

- **Mortgage Fees** – the mortgage provider may ask for a deposit, valuation fee and an arrangement fee to secure your mortgage.
- **Conveyancing Fees** – you will need to appoint a solicitor to act on your behalf to buy your new home.
- **Moving Costs** – if you are moving house, you may have to pay removal costs.
- **Ongoing Costs** – remember you will have to pay your mortgage repayments, utility bills and council tax.
- **Buildings and Contents Insurance** – you will need to make sure you have adequate cover for your new home.
- **Service Charges** – in some cases, you need to pay a service charge to the Housing Association/Developer.
- **Repairs and Maintenance Costs** – repairs and maintenance will be your responsibility.