

NEW SUPPLY SHARED EQUITY SCHEME: HOME FARM, PORTREE

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A Scottish Charity No. SC038019**

Shared Equity is a new scheme which allows people who are on a modest income to become homeowners. The principle behind the scheme is quite simple. Rather than buying a property outright, you buy a percentage 'stake' which is affordable to you.

The main attractions of Shared Equity are:

- If you are a current tenant of a Registered Social Landlord or Local Authority, you may be able to purchase a Shared Equity property for as little as 51% of the valuation. All other applicants must purchase a minimum of 60%.
- You can buy any percentage from 51% or 60% up to a maximum of 80% depending on how much you can afford. The remaining share is owned by the Government.
- You do not pay any rent on the Government's share.
- Your equity stake can be raised through mortgage, savings or a combination of both.
- You will pay for your share of the purchase price, along with the legal costs, survey fees and any other costs associated with the purchase.
- Savings or Capital Gains from a previous owned property over £5,000 is taken into consideration. As a general rule, you may keep the first £5,000 and 90% of the balance is expected as a contribution towards your equity stake (i.e. £12,000 savings leaves a balance of £7,000, 90% of which means a contribution from you of £6,300).
- The Shared Equity property must be the only house owned by you.