

## Homebuy and Shared Ownership (*ref 01*)

- 1.** Homebuy schemes are government-funded programmes to provide low cost home ownership. They are set up by housing associations and developers who in turn get funding from the Housing Corporation.
- 2.** There are various types of Homebuy, all offering an arrangement where people part-buy and part-rent the property they live in. This shared ownership does not involve sharing your home with someone else (unless that is your preference).
- 3.** Open Market Homebuy. This offer an equity loan so that you purchase 75% of the value of the property which you buy on the open market. The remaining 25% is funded by the government on a loan basis: this is repaid when the property is resold.
- 4.** Newbuild Homebuy offers new homes on a part-rent/part - buy basis. You purchase a share of the property value and pay a discounted rent to a housing association on the remaining share
- 5.** Social Homebuy. Some Housing Association tenants are able to buy a share in the home they rent from their landlord.
- 6.** Home Ownership for People with long-term Disabilities (HOLD). Some housing associations buy existing properties on the open market and sell a share (starting at 25% of the property value) to the person with disabilities.
- 7.** There are situations when you can qualify for financial help towards any mortgage you take out to buy a stake in your home. The Department of Work and Pensions (DWP) can help disabled people with payments of Income Support towards the interest payable on the mortgage. However, there are complex rules about this, and you will need specialist advice before committing yourself. Our *Quick Brief* on [Income Support](#) (*ref 09*) gives more details about this.
- 8.** If the legal capacity of a prospective shared ownership purchaser is in doubt, this may cause difficulties.  
Want to know more about Capacity? Go to the *Quick Brief* on [Tenancy and Capacity](#) (*ref 18*).
- 9.** You may qualify for help towards the rental part of a shared ownership payment through either Housing Benefit or Local Housing Allowance.  
Want to know more about Housing Benefit or Local Housing Allowance? Go to the *Quick Briefs* on [Housing Benefit](#) (*ref 08*) or [Local Housing Allowance](#) (*ref 42*).
- 10.** A normal Shared Ownership lease puts all the obligations to maintain the property on the shared owner. However, this can be amended to make the landlord responsible. Housing Benefit may meet the maintenance costs as well. This is an advantage of Shared Ownership over outright ownership.
- 11.** Homebuy is mainly operated by some of the larger housing associations who are 'Zone Agents' for different parts of the country.  
For more details contact the Housing Corporation  
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website: [www.housingcorp.gov.uk](http://www.housingcorp.gov.uk)  
You can also ask your local housing department for contacts in your area.  
For more information about which Housing Associations are involved with Shared Ownership for people with disabilities, go to the *Factsheet* [Shared Ownership and Homebuy](#) (*ref 07*).

**12.** If circumstances change you may buy a larger share - possibly buying outright. This is called 'staircasing'. If you want to sell you can either sell a share (often associations will have a waiting list) or purchase the balance of the equity (staircase) and sell outright on the open market. You get back the current market value of the proportion you own.

If you require further information or have other queries contact Housing Options.

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