Shared Ownership Resale Guidance Note

Legal & General Affordable Homes are part of the Legal & General Group. We are a leading direct investor, developer, and operator in residential property. We want to ensure that all our customers are provided with consistent information regarding our shared ownership properties.

What Is Shared Ownership?

Shared Ownership is a homeownership scheme backed by the government to help people purchase a share of a property while paying a subsidised rent on the remaining unowned share. For our resale properties, you will be able to purchase the share being advertised by the seller or have the option to increase the ownership percentage through your purchase transaction. Please speak to your resale representative for confirmation on minimum share purchase for the property you are interested in.

Am I Eligible for Shared Ownership?

To be eligible to purchase a property on the Shared Ownership scheme, you need to meet the following criteria:

- You must be over the age of 18 years old.
- You cannot own another property (in the UK or abroad). If you do, you must be in the process of selling the property and have a Memorandum of Sale to evidence this.
- Your annual household income must not exceed £80,000 (outside of the Greater London Area) or £90,000 (Inside the Greater London Area)
- You must not be able to afford to buy a property that suits your needs on the open market.
- You must have good financial standing, be able to show good credit history and not be in mortgage or rent arrears. or further details please read our affordability policy, found here Affordability-Policy-SO-Web.pdf
- In some cases, specific developments will have additional local connection requirements. For further information on whether this applies to the property you are interested in, please contact your resale representative.

Key Information Documents

There are 3 Key Information Documents that will be provided to you prior to you paying a reservation fee to secure your new home. The first Key Information Document has been sent to you alongside this Guidance Note. The remaining two key information documents will be provided on completing stage two financial assessment. The purpose of these documents is to provide clear and precise information in relation to the development and plot you are interested in and to ensure you are fully informed on long-term costs and requirements of shared ownership properties. If you have any questions regarding the documents, please speak to your resale contact.

Next Steps: Application & Assessment

If you are confident you meet the above eligibility criteria, and wish to move forward with an application for a shared ownership property these are the next steps:

- One of our resale representatives will be in touch to discuss more about your position and your requirements regarding your property search on receiving an enquiry from you.
- If you are interested in proceeding, you will be sent documentation to review, this will include this guidance note and a Key Information Document which will contain details on the property you have enquired about.
- Once you have read the documents provided, the next step is to speak to one of our panel mortgage brokers to complete a resale eligibility & affordability check. Your resale representative will be able to advise you on starting this process. This step requires you to provide various documents to evidence your financial position (like if you were applying for a mortgage). The list of documents which are required for this stage are listed below:

    - Proof of Photographic Identification (passport, driving license etc.)
    - Proof of Current Address
    - A copy of your credit report (www.checkmyfile.com is a free service for you to obtain your credit report with no subscription)
    - 3 months of pay slips or 3 years of SA302s if you are self-employed.
    - 3 months of bank statements
    - Proof of your deposit funds (e.g., savings account statements, ISA, Stocks, or shares accounts.)
    - If you currently own a property which is being sold, you will need to provide a copy of the Memorandum of Sale. This can be obtained from your estate agent or solicitor.
    - If you are receiving any money as a gift towards the property, we will need to see ID, proof of address and a bank statement from the person/s gifting you the money as well as a letter confirming the gift (Our panel mortgage broker will be able to help you with this).
    - Please note, if you are choosing to purchase your share in cash, and not obtain a mortgage, you will still be required to complete an affordability and eligibility check.
- Legal & General Affordable Homes have various policies and procedures which we must follow when selling shared ownership homes. A link to our policies can be found here Policies - Legal & General Affordable Homes
- Once the affordability assessment is completed, the case will be passed back to Legal & General Affordable Homes to approve. At this stage, if you are able to proceed, you will receive confirmation on the share amount that is recommended for you to purchase, and you will be sent further Key Information Documents which confirm exact costings based on the share amount you have been accepted at.
- Once approved by Legal & General Affordable Homes, you will be able to proceed to instruct solicitors, and a memorandum of sale will be issued. .

If you have any further questions in relation to the assessment, eligibility or application process, please contact us on resales@landgah.com or speak to your resale representative.

Responsibilities through the Application Journey

We want to ensure that all our customers receive the support we expect throughout their shared ownership journey.
Below is a table of the stages and which firm in the process is responsible for completing the stage. If you have any concerns regarding a specific step in your application for a shared ownership property, we recommend reaching out to the listed responsible organisation.

Application / Assessment Element	Responsible Organisation
Applicant eligibility and prioritisation	Legal & General Affordable Homes
Financial assessment of affordability	Panel Mortgage Broker
Decision to accept or decline an application and at what share level*	Legal & General Affordable Homes
Application of provider specific policies	Legal & General Affordable Homes
Mortgage advice (if requested)	Mortgage broker
Complaints regarding application or share decision	Legal & General Affordable Homes
Complaint regarding mortgage advice	Panel Mortgage Broker

Disclaimers

Please note that the affordability assessment does not constitute mortgage advice or guarantee the availability of a mortgage. Applicants are advised to seek independent mortgage advice from a qualified advisor.

If a shared ownership customer does not meet one or more of the eligibility criteria for the shared ownership scheme, is unable to meet the requirements of the affordability assessment, is unable to meet one or more of the policies published by Legal & General Affordable Homes in this regard, or if they are unable or unwilling to provide the required information or documentation their application will likely be declined.

*If a shared ownership customer wishes to purchase a different share level, either higher or lower, to that deemed affordable by their affordability assessment without providing a justifiable rationale or reason why, Legal & General Affordable Homes can either offer a different share level to that which the applicant would prefer or decline their application.