

BUYING YOUR OWN HOME IS NO LONGER A PIPE DREAM

The LIFT Open Market Shared Equity Scheme welcomes applications from social renters, members of the armed forces, veterans who have left the armed forces within the past year and widows, widowers and other partners of service personnel killed in action for up to one year after their partner has been killed.



If you meet this criteria please contact the LIFT team on 08451 550019 or look on our website (www.linkhousing.org.uk).

For more information about the LIFT Shared Equity Scheme - www.scotland.gov.uk/LIFT



Link currently operates the LIFT Open Market Shared Equity Scheme on behalf of the Scottish Government across 25 council areas in the Scottish Central Belt extending from Argyll & Bute to the Scottish Borders, Angus to Dumfries & Galloway. The scheme is available to people who may not be able to afford to buy on the open market without financial assistance. Our target priority groups are social renters, members of the armed forces, veterans who have left the armed forces within the past year and widows, widowers and other partners of service personnel killed in action for up to one year after their partner has been killed.

Grant funding from the Scottish Government is available to eligible applicants of between 10% to 30% of the purchase price for a property for sale on the open market. Applicants must be able to raise the remaining amount by way of a mortgage and any savings or capital available above a £5000 threshold. Additional grant funding of up to 49% may be made for applicants with a disability to secure suitable accommodation.

Assessment

All applications to the scheme are assessed to confirm they require financial assistance to help them buy a home. Applicants must contribute the maximum mortgage that they can reasonably afford. Applicants are expected to raise 3 times gross annual household income as a mortgage for a single person or 2.5 times income for a larger family. You should not exceed these levels unless you have received independent financial advice as you need to be confident that you can afford to pay your mortgage over the long term, even if mortgage interest rates or other living costs increase. Where an applicant has capital or savings available above £5000 they must contribute 90% above this figure.

In exceptional cases an applicant with a severe disability may have received a compensation payment as a result of an injury. Where the applicant provides evidence that they need to keep funds aside to meet additional living costs (e.g. the cost of employing a carer), such compensation payments should not affect a buyer's eligibility for the scheme and the applicant may not need to meet the standard requirement to put 90% of their savings over £5,000 towards the purchase of a property.

Limits are set on the price you can pay for a property. A series of local price thresholds have been prepared by the Scottish Government for different sized properties in each council area. The property that you buy must be your only home. Applicants are able to buy up to a certain size of property. Single people and couples can buy up to a three apartment

home. Larger families are able to buy a home one apartment over the household size (i.e. a four person household can buy a 5 apartment home). As assessment is made of the applicants expected contribution against the respective price threshold. If the applicants expected contribution exceeds 90% of the respective price threshold they would be ineligible for assistance.

Property Search

Once approved to the scheme, you are able to look for a property in your nominated council area. Once a suitable property is found that you wish to offer on, you must contact Link and provide the Home Report for the property, Sales Schedule, offer price, solicitor details and confirmation of your intended contribution towards the purchase price. Link will approve the potential purchase and you can then submit a formal legal offer.

Property Purchase

Link will submit a grant claim to the Scottish Government, based on the information supplied, for the balance amount normally 10% to 30%) to assist you to buy the property. You will be required to enter into a Shared Equity Agreement. The interest free loan provided to you by the Scottish Government is for a 19 year period. You are expected to repay this amount within 19 years, either when you sell your home or by borrowing additional funds to repay your equity loan.

You will have title to the property like any other home owner. The Scottish Government will retain a percentage equity stake in the property based on their financial contribution towards the purchase cost.

Moving On & Buying More Equity

You are able to move anytime after the property is initially purchased. The Grant element is not portable to another property. The Government will receive a percentage of the sale price of the property based on their equity stake.

You are also able to buy a larger equity stake in the property or move to outright ownership (in most areas) after the first two years. The price you pay for additional equity or all the remaining equity is based on the future market value of the property as determined by an independent surveyor.

Further Details and Application Form

Please contact the LIFT team on 08451 550019 or look on our website (www.linkhousing.org.uk).

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