Flagship Homes

Not just places to live, but places to love

Key information about the home

# Key information document 1

# Key information about the home

There are variations of shared ownership models which have different features. The model of shared ownership may vary depending on:

- what rules were in place at the time the home was funded or planning permission granted
- where the home is located
- whether the home is for a specific group of people

The table below highlights the key features of common shared ownership schemes. The information in this document is for the **new model shared ownership.**

| Shared ownership model | Older model shared ownership | Standard model shared ownership | New model shared ownership |
|---|---|---|---|
| **Minimum initial share** | 25% | 25% | 10% |
| **Lease length** | Typically, leases were issued for 99 years from new | Leases are for a minimum of 99 years from new but typically at least 125 years | Leases will be for a minimum of 990 years from new |
| **Initial repair period** | No | No | Yes |
| **Buying more shares - minimum purchase** | 10% or 25% | 10% | 5% |
| **1% share purchase** | No | No | Yes |
| **Landlord's nomination period** | 8 weeks or 12 weeks | 8 weeks | 4 weeks |

The **minimum initial share** will vary depending on the home; discuss with the housing provider for more detail. For more information, see section 1, 'How shared ownership works', in the 'Key information about shared ownership' document.

When you are looking for shared ownership homes, you should always check the Key Information Document to see which model covers that specific home.

When you buy a home through shared ownership, you enter into a shared ownership lease. The lease is a legal agreement between you (the 'leaseholder') and the landlord. It sets out the rights and responsibilities of both parties.

Before committing to buy a shared ownership property, you should take independent legal and financial advice.

This key information document is to help you decide if shared ownership is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference. This document 'Key information about the home' is a summary and you should consider the information in 'Summary of costs' and 'Guide to shared ownership' before making a decision.

This does not form part of the lease. You should carefully consider the information and the accompanying lease and discuss any issues with your legal adviser before signing the lease

Failure to pay your rent, service charge, or mortgage could mean your home is at risk of repossession.

The costs in this document are the costs as at the date issued. These will increase (typically on an annual basis) and you should take financial advice on whether this will be sustainable for you.

## Property Details

<table>
<tr><td>Address</td><td>Gooseberry Rise<br>Plot 14<br>15 Gooseberry Rise, Haughley, Stowmarket, IP14 3GE</td></tr>
<tr><td>Property type</td><td>3 bedroom(s) - Semi-detached house</td></tr>
<tr><td>Scheme</td><td>Shared ownership</td></tr>
<tr><td>Full market value</td><td>£325,000</td></tr>
<tr><td>Share Purchase Price and Rent Examples</td><td>The share purchase price is calculated using the full market value and the percentage share purchased.<br><br>If you buy a 10% share, the share purchase price will be £32,500 and the rent will be £670.31 a month.<br><br>If you buy a larger share, you'll pay less rent. The table below shows further examples:<br><br>
<table>
<tr><th>Share</th><th>Share Purchase Price</th><th>Monthly rent</th></tr>
<tr><td>10%</td><td>£32,500</td><td>£670.31</td></tr>
<tr><td>25%</td><td>£81,250</td><td>£558.59</td></tr>
<tr><td>30%</td><td>£97,500</td><td>£521.35</td></tr>
<tr><td>40%</td><td>£130,000</td><td>£446.88</td></tr>
<tr><td>50%</td><td>£162,500</td><td>£372.40</td></tr>
<tr><td>60%</td><td>£195,000</td><td>£297.92</td></tr>
<tr><td>70%</td><td>£227,500</td><td>£223.44</td></tr>
<tr><td>75%</td><td>£243,750</td><td>£186.20</td></tr>
</table>
<br>Note that not all homes will be available to purchase from 10%. The minimum initial share you can purchase will vary depending on the home.</td></tr>
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| | The percentage share and rent amount will change depending on the amount you can afford. You'll receive a worked example after a financial assessment.<br><br>Your annual rent is calculated as 2.75% of the remaining share of the full market value owned by the landlord. |
| **Monthly payment to the landlord (excluding rent)** | In addition to the rent above, the monthly payment to the landlord includes:<br><br>• Estate charge £20.00<br>• Buildings insurance £32.72<br>• Management fee £4.90<br>• Reserve fund payment £0<br>• Other service charge £0<br><br>• Total monthly payment excluding rent £57.62<br><br>Total monthly payments will typically be reviewed on an annual basis.<br><br>For more information, see section 4, ‘Service Charges’, in the 'Key information about shared ownership' document |
| **Reservation fee** | **£500**<br><br>You'll need to pay a reservation fee to secure your home. When you pay the fee, no one else will be able to reserve the home.<br><br>The reservation fee secures the home for 14 days. If you buy the home, the fee will be taken off the final amount you pay on completion. If you do not buy the home, the fee is not refundable. |
| **Eligibility assessment** | The housing provider will assess whether you meet the eligibility criteria for the scheme.<br><br>This will be based on the eligibility criteria for the shared ownership scheme and the housing provider’s specific policies. These include:<br><br>• The order in which you will be assessed First come first served policy |

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| | You can apply to buy the home if both of the following apply:<br><br>• your household income is £80,000 or less<br>• you cannot afford all of the deposit and mortgage payments to buy a home that meets your needs<br><br>One of the following must also be true:<br><br>• you're a first-time buyer<br>• you used to own a home but cannot afford to buy one now<br>• you're forming a new household - for example, after a relationship breakdown<br>• you're an existing shared owner, and you want to move<br>• you own a home and want to move but cannot afford to buy a new home for your needs<br><br>If you own a home, you must have completed the sale of the home on or before the date you complete your shared ownership purchase.<br><br>As part of your application, your finances and credit history will be assessed to ensure that you can afford and sustain the rental and mortgage payments. |
| **Affordability assessment** | Your affordability assessment will be carried out by a suitably qualified and experienced adviser.<br><br>As part of the affordability assessment, you will need to provide documents to confirm your income, savings, and financial commitments.<br><br>The assessment will take into account the housing provider's specific policies including:<br><br>• How much money you will need to have available to be able to afford the home (Minimum Surplus Income Policy (MSIP)) |
| **Tenure** | Leasehold |

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| **Lease type** | Shared ownership House lease |
| **Lease term** | 990 years<br><br>For more information, see section 2.5, ‘Lease extensions’, in the ‘Key information about shared ownership’ document. |
| **Rent review** | Your rent will be reviewed each year by a set formula using the Consumer Price Index (CPI) for the previous 12 months plus 1.00%.<br><br>For more information, see the Rent Review section in the 'Summary of Costs' document which includes an example of how rent could increase over a 5 year period. A worked example demonstrating how the rent is calculated at review is also set out in Appendix 2 of the lease. |
| **Maximum share you can own** | You can buy up to 100% of your home. |
| **Transfer of freehold** | |
| **Landlord** | Flagship Homes<br><br>Under a shared ownership lease, you pay for a percentage share of the market value of a home. You enter into a lease agreement with the landlord and agree to pay rent to the landlord on the remaining share. |
| **Initial repair period** | Up to £500 a year for the first 10 years to help with essential repairs. For more information, see section 5, 'Maintaining and living in the home', in the 'Key information about shared ownership' document.<br><br>For more information, see section 6, 'Maintaining and living in the home', in the 'Key information about shared ownership' document. |

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| **Landlord's nomination period** | When you give the landlord notice that you intend to sell your share in your home, the landlord has 4 weeks to find a buyer. The landlord may offer to buy back your share, but only in exceptional circumstances and if they have funds available. If they do not find a buyer within 4 weeks, you can sell your share yourself on the open market. For example, through an estate agent.<br><br>The landlord may decide to waive their rights to the nomination period (either from the outset or during the existing nomination period).<br><br>For more information, see section 8.4, 'Landlords Nomination Period', in the 'Key information about shared ownership' document |
| **Pets** | You can keep pets at the home. Pets are permitted in your home, although some restrictions may apply. |
| **Subletting** | You can rent out a room in the home, but you must live there at the same time.<br><br>You cannot sublet (rent out) your entire home unless you either:<br><br>• own a 100% share; or<br>• have your landlord's permission which they will only give in exceptional circumstances (see section 1.5 in 'Key information about shared ownership' document)<br><br>and<br><br>• have your mortgage lender's permission if you have a mortgage |