# THE KEY TO HOME OWNERSHIP

HOME REACH

# Home Reach, making homes accessible

With Home Reach you buy a share of your chosen newly built home and pay a monthly rent on the part you don't buy. Your budget will decide the size of the share you buy, rather than the size of your home. So, you might decide to buy a bigger share of a lower priced home or a smaller share of a more expensive home.

You can initially purchase shares up to 75% depending on your affordability* and heylo will become your landlord granting you a 125 year lease. This means you will be able to live in your home as if you've bought it outright. You can buy more of your home in the future and stop paying rent on that part.

*Starting shares vary across sites, for more information please speak to the team.

Help to Buy

To find your local Help to Buy agent, visit

helptobuy.gov.uk

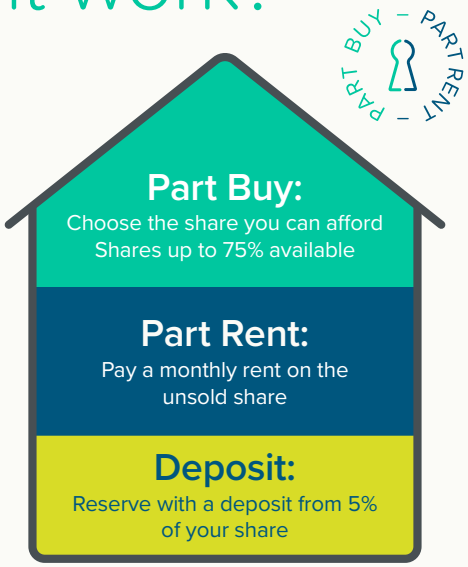
# Eligibility

You are eligible to purchase a Home Reach property in England if:

- Your household income does not exceed £80,000 per annum (£90,000 in London)
- You have a deposit (at least 5% of the share value)
- Registered and approved for shared ownership by your local Help to Buy agent
- You are a first-time buyer or used to own a home but cannot afford to buy 100% of the property now
- You currently occupy a shared ownership property and are looking to move
- You have passed a financial assessment, demonstrating you are financially able to purchase the minimum share value and support the monthly costs
- You have a good credit history (no bad debts or County Court judgments) and can afford the regular payments and costs involved in buying a home
- The property will be your principle and only home at time of purchasing

Please note - some developments may also require a local connection.
Full details of our credit criteria can be found at homereach.org.uk

# How does it work?




## Example

| Property Value | £200,000 |
|---|---|
| 50% share value | £100,000 |
| 5% deposit of share value | £5,000 |
| Mortgage required | £95,000 |
| Monthly rent | £229 |
| Monthly lease management fee | £19.90 |
| Indicative household income | £27,760 |

Illustrated costs only. These figures are based on purchasing 50% of a £200,000 property with annual household income based on a mortgage term of 25 years and 3.9%, for exact costings please speak to a Financial Adviser. Home Reach uses a Government standard shared ownership lease, rent on the unsold share is charged at 2.75% and increases annually by RPI + 0.5%, the monthly lease management fee increases annually by RPI. The illustrated costs excludes building insurance and any estate fees or services charges which may be applicable. You will need to consider the responsibilities and associated costs involved of owning a home. Your home may be repossessed if you do not keep up with payments on your mortgage or shared ownership lease.



# The Home Reach buyers journey

### 1. Register
with your local Help to Buy agent. You are able to register for a general area or a specific housing development.

### 2. Assess
You will need to complete a financial affordability assessment with an independent financial/ mortgage adviser to determine the share % you are able to afford.

### 3. Choose
Once you know your affordability, you are able to choose the home you wish to purchase.

### 4. Reserve
Now you need to pay a reservation fee to the sales team to secure your home.

### 5. Mortgage
You will need to apply for a mortgage (if you need one). The sales team will guide you to the appropriate specialist.

### 6. Legals
You will need to appoint a solicitor to carry out the legal work for you and act in your best interest.

### 7. Exchange
This is when you pay your deposit, sign your contracts and agree a moving in date.

### 8. Move in
On the agreed completion day, you will be able to collect the keys, move in and enjoy your new home!

### 9. Care
heylo will be here if you need us. The rent, lease management fee and building insurance (if applicable) will be collected monthly by direct debit.

# Why choose Home Reach?

## Affordable
An affordable way to get on the housing ladder

## Flexibility
You can sell or move at any time

## Investment
You can benefit from any increase in property prices

## Staircasing
Ability to increase the level of ownership at any time

## Pets
We are happy for you to have pets in your home*

## Security
Provides the security of home ownership

## Stamp Duty
No Stamp Duty Land Tax for First Time Buyers purchasing a Home Reach property, valued up to £500,000

## Freedom
Gives you the freedom to decorate and improve your home

## Choice
A wide range of houses and apartments available across the country

*You may need the permission of the managing agent or developer

# The key facts about Home Reach

## Leasehold
The home you are purchasing is sold as leasehold as there is a Shared Ownership Lease and more than one party (purchaser and heylo housing RP) involved in the process.

## Lease
Home Reach uses a Government standard shared ownership lease.

## Completion
On completion you will need to pay for the remainder of the current month and following month's rent and lease management fee.

## Unsold share
The unsold share is owned by heylo housing group. heylo housing RP will be your landlord and will collect the monthly rent and lease management fee.

## Rent
Rent on the unsold share is initially charged at 2.75%*. Rent is reviewed annually in April and increases by RPI + 0.5%.

## Lease management
Monthly lease management fee is currently charged at £19.90. It is reviewed every April and increases by RPI.

## Insurance
Building insurance is provided under the lease, you will pay the rest of the premium due for the policy year when you complete (unless included within your service charge).

## Deed of covenant
On completion you will enter into a Deed of Covenant or will have given notice to the management company, this direct agreement will allow you to pay any service or estate charges directly to the housebuilder (or managing agent).

* In some Section 106 properties the rent may differ

If you have any questions or want to find out more about Home Reach please get in touch:

Call
020 3744 0415

Email
info@homereach.org.uk

Visit
www.homereach.org.uk

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