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| **Shared Ownership Allocation and Affordability Statement**  |
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| **1. How West Kent allocates shared ownership homes** West Kent has adopted the below first come, first serve allocation approach for those wanting to purchase a shared ownership home (both resales and new build) and where demand outweighs the number of homes available. To qualify for shared ownership applicants must have a gross household income of less than £80,000 (outside of London) and be otherwise unable to purchase a suitable property for your housing needs on the open market. The £80,000 also includes all family members over the age of 18 living in the home regardless of whether they will be on the mortgage/deeds of the home. Applicants cannot own or be on the deeds of another home in the UK or aboard and be eligible for shared ownership unless the home is sold or in the process of being sold.The exception to first come first serve is where the Government has determined priority groups and or specific requirements for a development (such as armed forces personnel or a rural exception site). If any restrictions apply to how we allocate our homes for both resales and new build homes this will be clearly stated in our marketing material and adverts.West Kent will not allocate homes until all the requirement documents are completed and returned to us by the specified timescales. West Kent also has the right to decline an application if information provided on the shared ownership form is found to be incorrect at any stage of the application. **2. Mortgage Advisors** Due to the specialist nature of shared ownership mortgages any appointed mortgage advisor for both Stage 1 and 2 of the process need to be suitably qualified and experienced in shared ownership. The affordability check (both Stage 1 and 2) is free of charge if you use a mortgage advisor from West Kent’s panel. If an applicant uses their own this may be subject to a charge. **3. The allocation of a resale home (Stage 1 and Stage 2)**West Kent will assess the first three applicants who contact us and complete and return: * A completed application form [SO application form](https://www.westkent.org/find-a-home/buy-a-home/shared-ownership-application-form)
* Return the Stage 1 financial assessment completed by a mortgage advisor

All documents should be returned via email to sales@wkha.org.uk within 3 working days. We will then arrange a viewing with the seller, subject to the outcome of the Stage 1 financial assessment. Following a viewing the first applicant to email sales@wkha.org.uk to confirm they would like to proceed will be allocated the home. In exceptional circumstance applicant(s) may be allowed to view before confirming affordability and where the nomination period is coming to an end. If an applicant is in the process of selling a home West Kent and/or the shared owner selling has the right to bypass applicants in a chain if it delays the seller from meeting the deadline of any onward purchase. If approved and part of a chain, they will be required to evidence the home is under offer. **4. The allocation of new build homes (Stage 1 and Stage 2)**The first applicant to complete and return the following will be given the opportunity to reserve a home first. * Reservation form for the development of interest
* Return the Stage 1 financial assessment completed by a mortgage advisor
* A completed application form [SO application form](https://www.westkent.org/find-a-home/buy-a-home/shared-ownership-application-form)

This will be based on the date and time received by West Kent (by post or email) and the applicant meeting the affordability and eligibility criteria. **5. Affordability check applicable to new build and resale homes (Stage 2 assessment form)** Once a home has been allocated to an applicant before a formal offer letter can be issued applicant(s) are then required to complete a Stage 2 affordability assessment carried out by a panel mortgage advisor or one appointed by the applicant. The percentage purchased will be determined as part of this process, unless it is a resale where the percentage owned is fixed. Stage 2 should be completed and all required documents returned within 5 working days. If not completed West Kent has the right to offer the home to another applicant. **6. New build and Resale homes (Stage 2 only) – Surplus monthly income and budget planner**West Kent must be satisfied that an applicant can comfortably afford to buy the home they are interested in and maintain the future costs of home ownership, including any future rent increases. The Stage 2 assessment will be based on the mortgage advisor completing a budget planner with you which will consider your income and expenditure. This will also ensure that the mortgage you can secure is no more than 30% of your net income after considering your financial commitments, including the rent and service charge payable on your new home.You will need to have a minimum of 10% of your income remaining after all your expenditure has been accounted for. The assessment will also factor a stress test on potential rent increases on the unsold equity over a 5-year period.**7. Cash purchasers**Any applicant wishing to purchase a shared ownership home without a mortgage are still required to follow the same Stage 2 process. This is to verify the household cannot obtain a mortgage for reasons such as the applicants age or for religious beliefs. If an applicant is unable to obtain a mortgage due to adverse credit West Kent will require further information to determine if a home can be offered or not. **Here to help** If you have any further questions, please email sales@wkha.org.uk or call 01732 749 900 selecting Option 1 for new build homes and Option 3 for resale homes. **Panel Mortgage Advisors** |
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