

INFORMATION TO HOLD ON TO!

Thank you for your recent enquiry about HOLD (Home Ownership for people with Long-term Disabilities). From past experience we know that some people have found it useful if we provide a brief overview of the model and process for them to 'HOLD' on to...

- HOLD's a Government approved shared ownership model, launched in 1997.
- It enables people with a disability (who also rely on benefits for their income) to part buy a home of their own. Since 1999 MySafeHome's helped over 1,300 people to do just that. The vast majority of these buyers are still happily living in their homes.
- The buyer pays for their share with an interest only HOLD **mortgage**, they also pay rent on the share retained by the Housing Association. The rent's covered by Housing Benefit (with a top up from the buyer's other benefits) and the mortgage by SMI (Support for Mortgage Interest). SMI's now a loan provided by DWP (Department for Work and Pensions) that's repaid only when the property's eventually sold. The sum payable cannot exceed the equity left in the property once the Housing Association and mortgage provider's received their money so any excess will be written off.
- Once a potential buyer's been assessed as being eligible for a HOLD mortgage they approach a Housing Association to view properties (usually with support from their family).
- In the London area only properties developed by Housing Associations and offered for sale on a Shared Ownership basis can currently be purchased using a HOLD mortgage.
- The Housing Association may require confirmation that a mortgage is available to and affordable for the potential buyer before it allowing any viewings.

We'll meet with you face to face to go through the HOLD process in more depth.

Benefits to Buyers

- The chance to choose where and how they live the rest of their lives (subject to the availability and affordability of a suitable property of course).
- The security of tenure and peace of mind that **only** comes with having a financial stake in their home.
- The chance to make adaptations and decorative changes to their property to meet all of their needs and make it really feel like home.
- The ability to change who provides their care and support without having to move.
- The opportunity to integrate more effectively into their local community.

SHARED OWNERSHIP – HOW IT WORKS

We've broken down the costs into their component parts and illustrated how some of these can be met with existing benefits. We've also shown the sort of top up contribution that you may need to pay (*NB: this is based on a mortgage rate of 3.59% and an SMI rate of 2.09%*).

Property Value £400,000	
Housing Association Shared Ownership	
75%	25%
Rent	Sale
£688 per month	£100,000



Service Charge – Housing Association (Repairs & Maintenance) £160 per month

BUY



Home Purchase Fees £7000 approx

Deposit of at least 10% £10,000 (this can come from 'the bank of mum and dad' or possibly the Department of Health or buyer's Local Authority)

Mortgage from Bank/Building Society £90,000



Rent = £688 per month Housing Benefit direct to Housing Association

Service Charge = £160 per month Housing Benefit direct to Housing Association

Mortgage top up paid by Homeowner direct to Building Society = £112 per month (the difference between interest charged at 3.59% and the SMI loan paid at 2.09%)

Mortgage/benefit support paid by homeowner to MySafeHome Limited = £46 per month

This is for information purposes only. Full advice and recommendation can only be obtained once a property has been located.

A Note on Legal Capacity: *If a buyer is deemed unable to act on their own due to their disability a Deputy can be appointed to act on their behalf instead. This is done through the Court Of Protection under the Mental Capacity Act 2005. This process may take 3 months or more to complete.*

If you have any questions or concerns at this stage please visit our Frequently Asked Questions page on our website www.mysafehome.info/faq call us on 02476 402211 or email enquiries@mysafehome.info, we're always happy to help!