

Shared Ownership Homes Sales Policy

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Policy Lead:	Director of Development and Sales
Approved by:	Executive Team
Approved date:	July 2024
Next review date:	July 2027

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Purpose and scope of the policy

This policy sets out how we advertise and sell all our shared ownership homes (both new builds and resales).

We are a shared ownership provider registered with Homes England (Outside London) and the Greater London Authority (Inside London). We sell our shared ownership homes in accordance with the rules and procedures set out in both Homes England and the Greater London Authority Capital Funding Guides.

Please see the 'Definitions' section of this policy for definitions of shared ownership, Homes England and the Greater London Authority.

Policy

We sell homes to people who may not be able to buy on the open market and whose incomes show they can afford the long-term costs of home ownership. All our homes for sale are advertised on moathomes.co.uk where you can apply for one of our homes.

1. Eligibility

- 1.1 The eligibility rules for buying a shared ownership home are published within Homes England and Greater London Authority Capital Funding Guides. You'll need to meet the criteria within these guides to buy a home with us.
- 1.2 Some customers may have priority over others for shared ownership homes. These customers are identified through the Capital Funding Guides or where applicable through planning agreements where homes are being built through a Section 106 agreement (See definitions).
- 1.3 We'll advertise our shared ownership homes (both new builds and resales) and clearly set out the eligibility requirements for every home on moathomes.co.uk.
- 1.4 We reserve the right to take up references and conduct searches with credit reference agencies.

2. How to apply for a Moat shared ownership home

- 2.1 To apply for one of our new homes (launched and sold off-plan) we'll ask you to create an account and pick your favourite homes on moathomes.co.uk.
- 2.2 If you need help in picking your favourite homes, contact the sales officer listed on moathomes.co.uk under the property listing.
- 2.3 We'll let you know as soon as possible if we can offer you any of your favourite homes. If we're unable to offer you a home, we'll discuss your options with you.
- 2.4 In the absence of any priority customers through Capital Funding Guides or a Section 106 agreement, our available homes will be advertised on a first come, first served basis. These homes will be advertised on moathomes.co.uk.
- 2.5 First come first served is determined by the date that we received your completed application form on moathomes.co.uk.
- 2.6 If we offer you a home, you'll need to speak to a mortgage advisor from our panel to check the home you're interested in is affordable for you.
- 2.7 The mortgage advisor will assess the share you can buy in accordance with Homes England and the Greater London Authority guidelines.
- 2.8 For purchases outside of London we require you to have 10% of your net income available.
This is derived from the below calculation.

Gross income, less gross deductions (tax, National Insurance, student loan, etc), less known commitments (loans, credit cards, childcare, etc) less Shared Ownership rent and service charges (stress tested).

- 2.9 A minimum 5% lender deposit will be required on the share of the home you buy. We do not accept 100% mortgages or interest only mortgages.
- 2.10 If we offer you a home, we'll complete our final checks and proceed with the instruction of the sale. At this time, you'll receive Key Information Documents which contain information and costs related to the home and further information about purchasing a shared ownership property.

3. Mortgage Information

- 3.1 All mortgage lenders must be registered with the Financial Conduct Authority. We have a panel of mortgage advisors available for you on our website moathomes.co.uk.
- 3.2 We have a maximum interest rate that we'll review periodically. This will be updated on moathomes.co.uk.
- 3.3 We'll assess your mortgage offer prior to giving authority to exchange on your home. We have the right to decline any mortgages that we feel do not meet our criteria including any sub-prime lending.
- 3.4 We'll consider any application to purchase using cash rather than a mortgage on a case-by-case basis. If you can get a mortgage, you'll be expected to do so.

4. Adverse Credit

- 4.1 Any adverse credit entries must be settled in full, and you must not have any County Court Judgments (CCJ's), or defaults registered within 12 months of your application.
- 4.2 Individual Voluntary Arrangements (IVA) and bankruptcy must have been discharged and will be subject to individual assessment.

5. Applications from Moat employees / Board members and their relatives

- 5.1 If you're a Moat employee or Board member, or related to someone who is, you must declare this when you create your account on moathomes.co.uk.
- 5.2 All eligibility criteria will still apply, and you'll be given no additional priority.
- 5.3 Any offer made to someone who's a Moat employee / Board member, or related to someone who is, will be subject to written approval by our Head of Sales and Marketing and Chief Executive Officer.

6. Helping existing shared owners to sell their homes

- 6.1 In respect of applications for resale Shared Ownership homes, we aim to follow the principles above, but can operate with more flexibility in our consideration of applicants to ensure that existing shared owners are not restricted in terms of potential purchasers.

Definitions

Shared Ownership is a government-backed initiative that helps people who may not be able to buy on the open market to buy a home. Often referred to as part buy part rent, shared ownership is one of the most affordable home ownership options.

Homes England is the government's housing and regeneration agency.

The **Greater London Authority** is run by the Mayor of London who has governance of housing policy across Greater London.

Section 106 agreements are planning obligations that, in some cases, set out eligibility and prioritisation criteria for home that are built on a particular piece of land. These are legally binding and enforceable.

Equality, Diversity and Inclusion

This policy will be delivered in accordance with our Equality, Diversity, and Inclusion Policy. An Equality Impact Assessment was completed for this policy and considered as part of the approval process.

Data protection

This policy will be delivered in accordance with our Data Protection Policy. A Data Impact Assessment was completed for this policy and considered as part of the approval process.

Related legislation and regulations

- Homes England Capital Funding Guide – contains the rules and procedures for all providers delivering affordable housing through one of Homes England's affordable homes programmes (including Shared Ownership)
- Greater London Authority Capital Funding Guide – contains the rules and procedures for all providers delivering affordable housing with funding from the GLA and for nil grant schemes.
- Section 106 agreements – legally binding agreement or planning obligation between a local planning authority and a property owner

Related policies and procedures

- Anti-Money Laundering Policy and Procedures
- Defects Policy
- Rent Setting Policy
- Service Charge Policy

Customer engagement

We sought feedback on this policy from our Shared Ownership Customer Advocates through a survey which was sent out on 14 May 2024 with a deadline for responses of 28 May 2024. Eight customers started to complete the survey, of which five completed the full survey. Four of the five customers who responded confirmed that they found the policy clear and easy to understand, all felt that it was written in plain English and four confirmed that they'd support Moat's adoption of the policy. Following a review of the feedback and comments, we've made no changes to the policy.

Document Revision History (Record of any changes made to the policy)

Date	Changes approved by	Details of changes made