

CASH BUYER POLICY

We understand that sometimes purchasers may have money (e.g. from a previous house sale or relationship breakdown) to put towards their purchase, but still need to access Shared Ownership schemes.

You may purchase your share in cash if you are unable to obtain a mortgage but have enough savings, for example if you are an older person and cannot obtain a mortgage due to your age or you are on a lower income and can afford the rent element but not a mortgage as well. These applicants should still be referred for financial advice so that a detailed affordability assessment can be carried out.

Cash purchasers must still meet the eligibility requirements of being unable to afford to purchase a suitable home on the open market and having a household income of under £80,000.

Applicants may purchase their share in cash if they are unable to obtain a mortgage but have sufficient savings, or where no suitable mortgage product is available. For example, if an older person could not take out a mortgage due to their age, or someone with a lower income could afford the rental (and any service charge) element but not a mortgage. An exception may be if mortgage products are unavailable due to your adverse credit history. In all circumstances, income must be considered sustainable.

Cash purchasers should be able to demonstrate that the housing costs are affordable. These payments (including rent, service charges and other housing costs) should not be more than 45% of their net income.

The affordability assessment should recommend a suitable share purchase based on the applicants' savings and access to capital.