**Affordable Housing Initiatives/Products – July 2016**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Provider | Funder | Product | comments |
| SavingsSavings | BanksBanks | GovernmentGovernment | Help to Buy ISA <https://www.helptobuy.gov.uk/help-to-buy-isa/how-does-it-work/>Lifetime ISA <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/508117/Lifetime_ISA_explained.pdf> |
|  |
| Loan | Government and Banks | Government loan | Help to Buy Equity Loan  | Loan for up to 20% of purchase price (no fees if loan paid back in first 5 years)Need 5% deposit and 75% mortgageNew Build homes up to £600,000First time buyers and homeowners wanting to move |
| <https://www.helptobuy.gov.uk/equity-loan/equity-loans/> |
| Equity Loan | Catalyst HA/ local authority | Catalyst HA & LA | Regional Equity Loans | Catalyst working with Local Authorities to create bespoke equity products. With low interest loans Local eligibility criteria can be set.  |
| <https://www.homesbycatalyst.co.uk/buying-options/regionalequityloans/> |
| Mortgage | Banks | Government guarantee | Help to Buy Mortgage Guarantee | New build or resale up to £600,000Lenders can offer 80-95% LTV mortgagesMortgage must be less than 4.5 times income |
| <https://www.helptobuy.gov.uk/mortgage-guarantee/how-does-it-work/> |
| Mortgage | Local Authority | Local Authority | Local Authority Mortgage | Costs of resourcing administrationLA mortgage rate may not be competitive to market ratesRisk of defaults |
| Mortgage  | Banks  | Local Authority guarantee | Local Authority Mortgage scheme | Enable borrowers to apply with 5% depositFirst time buyersLA can determine which type of properties, areas are in the scheme and mortgage limit |
| <http://www.capitaassetservices.com/products-and-services/public-sector/public-sector-advisory-services/local-authority-mortgage-scheme-lams.cshtml/?utm_source=MMenu> |
| Mortgage | Banks | Springboard mortgage | Parental Assistance Mortgage – variations from different lenders | Example – Barclay’s family springboard mortgage enable first time buyers and movers to purchase without a borrower deposit if family can provide 10% of the property’s price as security.  |
|  |
| Shared ownership | Housing Association/Local Authority | Can be grant funded from Affordable Housing Programme | Help to Buy Shared ownership (Part buy - part rent) | Initial shares purchased from 25% - 75%First time buyers or used to own a home and cant afford to buy nowNew build or resalesMaximum income limits £80,000Can staircase to 100% full ownership |
| <https://www.helptobuy.gov.uk/other-housing-options/shared-ownership/> |
| Shared ownership | Local Authority and Banks | Local Authority indemnity  | Local Authority Partnership Purchase Scheme (LAPP) | Buyer purchase up to 70%LA purchases remaining 30%First time buyers and existing home owners5% deposit on purchased shareCan buy on open marketLA can set criteria and mortgage limit |
| Shared ownership | Heylo Housing | Pension funds | Your Home | Existing homes can be purchasedMinimum 10% deposit (no mortgage), can purchase more shares at anytime up to outright purchaseMaximum income £80,000 |
| <http://heylohousing.com/our-housing-solutions/> |
| Shared ownership | Heylo Housing | Pension funds | Home Reach | Shared ownership shares from 25-75% Developer share sold to HeyloNew build propertiesMaximum income £66,000 |
| <http://heylohousing.com/our-housing-solutions/> |
| Shared ownership | Heylo Housing | Pension funds | Your Front door | Shared ownership on discounted market sale properties. Min share 10%Available to 1st and 2nd time buyersNew build DMS propertiesMaximum income £80,000 |
| <http://heylohousing.com/our-housing-solutions/> |
| Shared ownership/Shared equity | Landspeed  | Privately funded  | Shared ownership and shared equity  | No rent on unsold share, acquire units and sell to buyers on terms/criteria agreed with LA |
| <http://landspeed.uk.com/> |
| Local scheme contact: Sandra Sainsbury – Shepway DC |
| Shared ownership | Rural Housing Trust Ltd | Part of Hobden Group (privately-owned group of property companies involved in property development and investment) | Shared ownership | Specialist developer of shared ownership on rural exception sites (possibly will venture into starter homes as well) |
| <http://www.ruralhousing.org.uk/> |
| Shared equity | Graduated Ownership | Model promoted by the Future Housing Review |  | ◦The Owner acquires the entire freehold (or leasehold) estate in his home from the Provider, so the ownership itself is not ‘shared’.◦No HCA model lease is required for a house.◦Only a normal lease is required for a flat, not an HCA model◦There is no rent payable on the ‘unowned share’ in a GO scheme.◦A GO scheme provides the Owner with an automatic bonus (the ‘Increment’) which compensates the Owner for taking on all repairing liabilities. |
| <http://www.futurehousing.org/graduated-ownership/> |
| Rent to home ownership | Housing Associations and other providers | Government low cost loan scheme | Rent to buy | Available to rent at below market rates for 7 yearsTenants has first refusal to buy.Now closed to new applications. Maybe included in new AHP 2016-21 |
| <https://www.gov.uk/government/publications/rent-to-buy-2015-to-2017-prospectus> |
| Rent to home ownership | Rent plus leases homes leased to housing association | Institutional investors/pension funds | Rent plus | Affordable rent (80% of open market or LHA rate) on 5 year renewable tenancy up to 20 years.Option to purchase with 10% value of open market price as gifted deposit Maximum income £80,000LA can set eligibility criteriaNew build properties |
| <http://rentplus-uk.com/> |
| Local scheme contacts: Sarah Lewis – Tunbridge Wells BC |
| Rent to home ownership | Local Authority | Local Authority | Opt to Buy (Arlingclose model – independent treasury advisors) | Uses LA owned company or SPV to fund new homesFive year tenancies with option to buy Rent either market rent or up to 20% of market rent |
|  |
| Rent to Buy | QSH (Fund Management Firm) | Pension funds | QSH funds build, in collaboration with LA/HA  | Tenants rent with option to purchase between 1st and 5th year. After 5 years can rent for further 15 years.Half of rent put towards deposit up to max of 10% of open market price of house at time of purchase |
| <http://qsh.org.uk/> |
| Affordable Rented | Housing Association , Local Authority | Historic AHP funding, HA or LA resources | Affordable rent | Rented at up to 80% of market value (inc. service charges)Usually allocated to applicants on housing register |
| <https://www.gov.uk/government/collections/affordable-homes-programme-2015-to-2018-guidance-and-allocations> |
| Social/affordable Rented | Cheyne Capital(Investment Fund Managers) | Cheyne Social Property Impact Fund  | Rented housing - general needs, supported housing, extra care etc | Cheyne’s Social Property Impact team will acquire or build properties and lease these properties to social service providers at affordable rates.Lease to housing provider for 15-20 years with option to renew or purchase. |
| <https://www.cheynecapital.com/strategies/social-property/> |
|  |  |  |  |  |
| Specialist schemes |  |  |  |  |
| Older Persons Shared Ownership (OPSO) | <https://www.helptobuyese.org.uk/help-to-buy/opso> |
| Home Ownership for people with Long-Term Disabilities (HOLD) | <https://www.helptobuyese.org.uk/help-to-buy/hold> |
| The Legacy Foundation | Regeneration schemes to include a community sporting facility<http://www.legacyfoundation.co.uk/LegacyBrochure.pdf> |