## SHARED EQUITY v's SHARED OWNERSHIP

MANY PEOPLE THINK HAVING SHARED **EQUITY MEANS YOU ONLY OWN A %** OF YOUR HOME - THIS IS NOT TRUE!

WITH SHARED EQUITY YOU STILL OWN 100% OF YOUR HOME







Council £300,000 £300,000

**50**% **50**%

50%

**50**%

**PASSES** VALUE £600,000

TIME

TIME PASSES

VALUE £900,000 You decide to sell

at the current

Market Value

You receive the % you initially invested and so do the

£ 450,000

£ 450,000

Council

50%

**50**%

**50**%

**50**%

100%

A property is sold on Compulsory Purchase terms

A secured debt called 'Shared Equity' is provided to increase your budget

£300,000

£300,000

with you and own a

% of your new home

**EQUITY PAYMENT** 

New home worth more than your old with no rent to pay





A property is sold on

Compulsory

Purchase terms

**SELL AT £300,000** 

Council

The Council shares the purchase price

You pay rent on the % owned by the Council

VALUE £600,000

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**31 VALUE £900,000** 

You decide to sell at the current Market Value



Council

You receive the % you initially invested and so do the Council





**SELL AT £300,000** 

A property is sold on Compulsory Purchase terms

£300.000

You buy within your

budget from selling

100%

Value £300,000

Your property value is the same as you received when selling

VALUE £450,000

You decide to sell at the current Market Value

You £450.000

> You receive the sale price

## **COMMON QUESTIONS:**

> CAN I STILL GET A MORTGAGE IF I HAVE SHARED EQUITY?

YES! Taking a mortgage out would increase the amount of money you could put in

> DO I HAVE TO PAY INTEREST OR RENT WITH SHARED EQUITY?

NO! There is no interest or rent to pay for the shared equity secured debt

**FOR MORE INFORMATION:** 

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CHARTERED SURVEYORS