

4 WAYS TO GET ON THE PROPERTY LADDER



AN ESSENTIAL GUIDE
FROM PURPLEBRICKS



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Keen to get on the property ladder? Michael Bruce, CEO of hybrid estate agency purplebricks.com, explains that to buy your own property, you don't have to go it alone...

'For 'Generation Rent', it may seem like owning your own home is something that will never happen. With increasing property prices and the hard to navigate property market, it can feel like the odds are against you, but there are a variety of options available for those looking to buy their own home.

Here are four schemes for those looking to take their first step on to the property ladder.'

1. Right to Buy

The Right to Buy scheme is a policy in the UK which gives secure tenants of councils, and some housing associations, the legal right to buy the home they are living in at a large discount.

Eligibility: You will need to have been a council tenant for at least 5 years, but this doesn't have to be in one continuous period or just in the home you want to buy. Certain properties are excluded from the Right to Buy

scheme if they are reserved for the elderly or tenants who work in a specific public sector. Contact your local council to find out about the eligibility of your home.

2. Help to Buy

There are two types of schemes for Help to Buy. Firstly, the Equity Loan option, where the Government lends first-time buyers and existing homeowners up to 20% of the costs of a newly built home, and secondly the Mortgage Guarantee, where the Government promises your lender it will cover part of any losses they may sustain not being repaid.

Eligibility: The home you want to buy must be newly built with a purchase price of up to £600,000. You won't be able to sub-let this home or enter a part exchange deal on your old home and you must not own any other property at the time you buy your new home with a Help to Buy equity loan. This scheme is available in England only.

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3. Joint Buying

This is where two or more people club together to buy a property, usually each putting in a share of the deposit and sharing the mortgage.

There are joint tenancies, which are favoured by married couples or people in civil partnerships, and tenancy in common, which means that the co-owners don't have to own equal shares of a property, which is usually favoured by groups of friends or relatives buying together.



Eligibility: When you opt for joint ownership you will need a joint ownership mortgage and joint ownership or co-habitation agreement. A conveyancing solicitor will guide you through the buying process as well as the joint ownership agreement or trust deed.

4. Shared Ownership

A cheaper way to buy, you purchase a percentage of a home and rent the remaining share, usually from a council or housing association. Like any other occupier, you will be responsible for ongoing maintenance costs and for any repairs needed in the house.

Eligibility: For the shared ownership scheme you should generally be a first time buyer, and if you already own a home you must be in the process of selling it.

You should not be able to afford to buy a home suitable for your housing needs on the open market and you will need savings of at least £4,000 to cover the costs of buying a home. You will also need to have enough savings or be able to easily access a minimum of 5-10% of the equity share you are buying, as a deposit.





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