

What is Affordable Housing?

RENTED

- **Social Rent**

Rented housing that is owned and managed by a housing association (or similar provider). Tenancies are secure and regulated and kept affordable.

- **Affordable Rent**

Similar to Social Rent and is largely replacing it. Rents can be up to 80% of market rents. Flexible tenancies (minimum of 2 years).

INTERMEDIATE HOUSING (PART-OWNERSHIP)

- **Shared Ownership (also known as HomeBuy)**
 - *Buy initial share of the equity from a housing association (or similar provider), typically 40%.*
 - *Housing association retains the 60%*
 - *Initial share purchased by cash deposit or mortgage.*
 - *Rent paid on the un-owned portion of the equity.*
 - *Can 'staircase' up to a max of 80% in rural areas.*
- **Shared Equity**
 - *Similar to shared ownership but usually provided by a developer.*
 - *Purchaser usually owns freehold and another party retains an interest in the value of the home often by an equity loan (ie part of the deposit).*
 - *Purchaser will therefore have paid less than the market value.*
 - *Such housing may have a price, occupation or resale restriction*

FULL OWNERSHIP

- Discount Market Homes (also known as Low Cost Housing)
 - *Owner occupied sold at significant discount, often 20% or more.*
 - *Almost certainly will be resale restrictions*
- FirstBuy (Govt scheme)
 - Buy on open market but get a loan to help with deposit, typically 20%
 - Interest-free loan for 5 years
 - Only some housebuilders take part
- Help To Buy
 - New build only
 - Govt provides 10-20% equity loan
 - 5% deposit and 75% mortgage
 - Available to first time buyers and home movers (up to £600K)
- Starter Homes
 - First time buyers only, under 40.
 - Discounted price <£250,000 outside London
 - Will be offered by some housebuilders for new builds only