

WAYS TO BUY WITH



LATIMER
by Clarion Housing Group

WE MAKE HOME OWNERSHIP HAPPEN

Home ownership is something many of us aspire to. You might be looking forward to your first apartment; or need more space and security as your family grows; or feel that it's time to downsize to a new home that better meets your changing requirements.

We create high quality, sustainably-designed homes in friendly and welcoming communities all over the UK. You can explore them on our website to find one that's the perfect match for you; location, connections, local schools and shops, number of bedrooms, outdoor space, parking – all have to be considered.

Affordability is another important issue. At Latimer, we recognise that everyone's circumstances are different, so we also offer a range of ways to buy our homes. We hope you will find this guide useful in deciding which option is best for you.



CONTENTS

First steps	06-07
Shared ownership	08-13
First homes	14-15
Buying with a mortgage	16-17
The legals and purchasing journey	18-19
How much will it all cost?	20-21
Why buy with Latimer?	22-23
Focused on customer satisfaction	24-25
Glossary	26
Contact us	28

FIRST STEPS

You're likely to have an idea about where you want to live and what kind of home you need. When you've found a Latimer home that could be just right for you, the first step of the journey is to get in touch with us to arrange a viewing, and to explore the different purchasing options.

We recommend speaking to an Independent Financial Advisor (IFA) or mortgage broker to have the facts at your fingertips. These trained specialists

will be able to match you with the best lender for your personal situation, and give you a really clear idea of what you can afford to buy.

At Latimer, we have a panel of recommended advisors and request you have an initial consultation with one of them to make sure you meet our eligibility criteria. Once accepted, you may continue to use their services or choose your own advisor if you wish.



Before you start, you should also get an accurate and up-to-date copy of your credit report, which is essential if you are applying for a mortgage. Experian, Equifax, and TransUnion are the main sources for this, and all offer a free basic report.

Your chosen advisor will be able to explain in detail the various purchasing routes, the pros and the cons. This brochure gives an overview of them, but everyone is different and it's important to understand which one will work best for you. They include:



Shared ownership with a mortgage.



Outright purchase with a mortgage or cash.

Your advisor will also be able to give you information about freeholds, leaseholds, service charges, buying off-plan, costs such as Stamp Duty, and the sometimes confusing legal terminology and stages in the buying process.

To help you with this, we've included a glossary on page 26 of this brochure.



SHARED OWNERSHIP

With shared ownership, you buy a share of your home – as much as you are calculated to be able to afford – starting from a minimum share, specific to the development, and rising up to 75% of the property’s value.

You then pay subsidised rent to Latimer, on the remaining share of your home. The scheme is sometimes called Part Buy, Part Rent.

The deposit required for a shared ownership mortgage is lower than if you were purchasing a property outright. It starts from as little as 5-10% of the initial share you are purchasing, rather than on the full value of the property. You only need a mortgage to cover the price of your share.

Once you’ve moved in, you can, if you wish, begin to buy more shares in your home until you own it outright. This process is known as staircasing.

ELIGIBILITY

To be eligible for shared ownership, you will need to meet certain requirements set by Homes England and the Greater London Authority (GLA). You could be eligible for shared ownership if:

- You are at least 18 years old.
- You cannot afford to buy a home that suits your household’s needs on the open market.
- You have savings to cover a mortgage deposit and can obtain a mortgage.
- Your household earns £80,000 or less (£90,000 or less inside London).

In some cases, due to criteria set by local authorities, you may be asked to show a connection to the local area where you’re looking to buy. For instance, you might currently live and/or work there. Maximum incomes and further eligibility requirements may vary for each scheme.

YOUR REPAYMENTS

Each month, you’ll be paying your mortgage lender and you’ll also be paying rent to Latimer.

The amount is usually calculated on **2.75%** of the full market value. It rises each year by the rate of inflation plus half a **0.5%** cent, which is outlined in your lease. We’ll tell you the amount you will have to pay for your new rent every February/March. As with your mortgage, the security of your home may be at risk if you do not make the payments. If you get into difficulties, and this happens, get in touch with our financial services team as soon as possible, and they will do their utmost to help you.

LIVING IN A SHARED OWNERSHIP HOME

Shared ownership homes are leasehold, and Latimer owns the freehold. To maintain your home and keep it safe, there are a number of costs to us which we collect from you in the form of management charges. These may include all or some of the following:

- Rent and service charge collection.
- New build defects reporting.
- Property management; repairs, management of shared cleaning and gardening contracts.
- Anti-social behaviour support.
- Property decoration programme.
- Insurance.
- Ground rent.

If your home is an apartment, a service charge is also payable, to cover*:

- All day-to-day and future repairs. Some of the service charge money is put into a repairs saving fund, which means that you will never be faced with a big bill for your share of major repairs.
- Maintenance to the outside of the building and the shared areas. This could be the roof, communal TV aerial, entry phones or anything that is used by everyone in the apartment block.
- Cleaning and gardening in shared areas.

WHEN YOU WANT TO SELL

You can sell your home at any time. Under the terms of your lease, we have eight weeks to find a buyer for your home.

There will be a small charge for this, however this should be cheaper than using an estate agent. After eight weeks, if we are unable to find a buyer, you can sell your home through an estate agent in the normal way. Like staircasing, the price you sell your home for will be based on the market value at the time. Like any home, the value can rise and fall along with the housing market.

*We don't make a profit on service charges, ensuring you only pay what you need to. You are responsible for the interior maintenance, repairs and cleaning of your home. If you want to redecorate or make minor alterations, you are free to do so. However, if you want to make more substantial changes which add value to the property, please obtain our permission first.



SHARED OWNERSHIP THE BENEFITS

- It's a good scheme for people who can't afford to buy on the open market.
- The rent portion is less than the rent charged on the open market.
- The mortgage deposit is just 5%-10% of the share you buy, not the whole price of your home.
- You can choose to buy more shares as time goes on.
- Stamp Duty can usually be deferred until your share reaches 80%.
- Your home is likely to be new or almost new, with the latest fittings and technology and low running costs.

SHARED OWNERSHIP POINTS TO CONSIDER

- Your home isn't 100% yours until your share reaches 100%.
- When you sell, you sell only the share you own so you will not receive the full value of the property.
- Only certain mortgage lenders will lend on shared ownership properties.
- Your home will be leasehold, meaning there will be management and possibly service charges to pay.

CHOOSING YOUR SHARED OWNERSHIP HOME

All of our new build and resale shared ownership homes are available to view on the Share to Buy property portal.

Visit latimerhomes.com to search for available homes, view property images and enquire to arrange a viewing.



SHARED OWNERSHIP WITH LATIMER

Latimer offers a wide range of new shared ownership homes and apartments at locations all over the UK. If you've decided that this is the way you'd like to buy a home from us, or you are considering shared ownership, this guide will outline the steps you need to take to buy your home.

As you will probably already know, with shared ownership, you buy a share of your home – as much as you can afford – starting from as little as 10% and rising up to 75% of the property's value. You then pay subsidised rent to us on

the remaining share of your home. When you wish to, you can buy a bigger share of the property until you own it outright.

This guide takes you through the steps towards buying with shared ownership. Please make sure you follow the steps and have all the relevant documentation and approvals ready at each stage. It means we can provide you with the best possible customer service and avoid disappointments or delays.



FIND YOUR HOME AND REGISTER YOUR INTEREST

Visit www.latimer-homes.com to browse all the shared ownership properties in the areas you are interested in. If you see something you like, register your interest on the website by entering your contact details and a few basic facts to help us assess your eligibility for shared ownership.



FIND OUT WHAT YOU CAN AFFORD

Speak to our nominated IFA, Metro Finance, who will assess what you can afford and take you through all the options. This is a free service and you are under no obligation to use the services of the advisor when you apply for your mortgage.



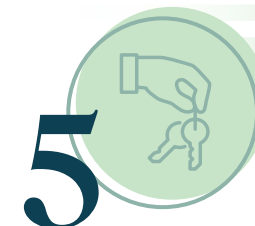
IS THIS THE HOME FOR YOU?

Once you have spoken to Metro and have your affordability confirmed, a member of our sales team will be in touch to discuss our current availability and prices. If the home you are interested in is already built, we may be able to arrange a viewing. If you're buying off-plan, we'll show you plans and explain the off-plan process.



MAKE YOUR APPLICATION

If you like the property you have viewed or are buying off-plan, a member of our team will provide you with an application form to fill in.



RESERVE YOUR HOME

Once your application form has been approved and your reservation fee has been paid, our friendly team will guide you through the rest of the process until the day you complete and collect your keys.

FIRST HOMES

Latimer is proud to support First Homes; a new scheme designed to help local first time buyers and key workers onto the property ladder. Offering homes at a discount of 30% compared to the market price. The discounts will apply to the homes forever. Generations of new buyers and the local community will continue to benefit every time the property is sold.



WHERE ARE FIRST HOMES BEING BUILT?

First Home properties should, in time, be available throughout England. A programme of 1,500 First Homes is being rolled out over the next two years in more than 100 locations across the country.

Here at Latimer we're proud to be able to offer First Homes properties on a selection of our developments.



WHAT IS THE ELIGIBILITY CRITERIA?

- Purchasers of First Homes must be first time buyers and must have a household income not exceeding £80,000 and £90,000 in London (or lower if set by the local authority).
- Post-discount price caps on first sale of the property of £250,000 across England and £420,000 in London (or lower if set by the local authority).
- A First Home should be the buyer's, only home and a purchaser will need to use a mortgage or home purchase plan for at least 50% of the purchase price of the home.
- Local connections and/or key worker status as determined by the relevant local authority.

WHAT IS THE AIM OF THE SCHEME?

- Getting first time buyers on the housing ladder and helping people to own their own homes in the places where they live and work.

WHO IS THE SCHEME FOR?

- Local first time buyers and key workers.



HOW TO APPLY FOR FIRST HOMES

To start your application for the First Homes scheme, you must apply through a First Homes agent in your area.

www.ownyourhome.gov.uk/scheme/first-homes/

BUYING WITH A MORTGAGE

This is the most straightforward way to buy a home and it is the one most people choose. It also gives you the most flexibility in terms of the home you can choose, and the way you pay for it.

We strongly recommend that you speak to your financial advisor first. There are so many different kinds of mortgages including variable rate, fixed rate, tracker, discounted rate, capital and repayment, interest only, offset, guarantor, the new government-backed 95% mortgage. To add to the confusion, lenders change their deals all the time.

The online comparison sites can be useful for seeing what's out there, but a good IFA or mortgage broker will have all the latest offers and will advise you on what's

right for you. This will depend on factors such as your income, credit history, employment status, amount of deposit, how long the mortgage term is. Broadly speaking, the larger your deposit, the better your Loan to Value (LTV) situation will be, giving you more favourable interest rates and deals.

Before you even start looking for your home, try to get a mortgage offer 'in principal'. It shows whoever you are buying from that you are a serious purchaser and can provide the funds. This can take time, so go to see your advisor in good time and make sure you have to hand all the information the lender and your solicitor will require. There is likely to be a lot of paperwork and form-filling, so be prepared.

CHOOSING A HOME

If you are buying with a mortgage, you can choose a new or secondhand property, house, or apartment, leasehold or freehold. The same applies if you are fortunate enough to buying outright in cash. If you choose to buy a new home from Latimer, you're making a good decision! You can view all of our available and forthcoming homes at www.latimerhomes.com

BUYING WITH A MORTGAGE THE BENEFITS

- There are so many mortgage types and deals that your advisor should be able to find one that's exactly right for your circumstances and your budget.
- Once you have a mortgage, it's usually possible to shop around at a later date for a better deal, either with the same lender or a different one. However fees will probably be payable.
- With a repayment mortgage, you are gradually paying off the capital as well as the interest, meaning that you own your home outright at the end of the mortgage term.

BUYING WITH A MORTGAGE POINTS TO CONSIDER

- Interest rates can rise or fall, which will affect your monthly repayment and affordability.
- To get the most favourable mortgage offer, you will need a sizeable deposit – 10% at least, 20% ideally.
- If you choose an interest-only mortgage, your monthly repayment will be lower, but when you sell your home, you will still have to pay off the capital amount.
- Costs and fees connected with a mortgage can be considerable, particularly if you re-mortgage or change to another lender.
- If you default on (not pay) your mortgage, your lender may repossess it and you will lose your home.



THE LEGALS AND PURCHASING JOURNEY

RESERVATION

When you've chosen your property, and your shared ownership application is complete, you can reserve your property. A reservation fee is taken to secure your property and take it off the market, this is then deducted from your deposit. You can now formally appoint your solicitor, who will ask for monies upfront to pay for searches. The solicitor will instruct your mortgage broker to make the full application and ensure that all your paperwork is in order. Other duties carried out by your solicitors include checking your lease (if applicable) and communicating with our solicitor.

However you choose to buy your home, the route from first viewing to moving in day is broadly the same for everyone. It will be a little simpler if you are a cash buyer and not buying with a mortgage or loan. Exactly how long it takes depends on many factors, such as whether you are selling as well as buying, whether the market is buoyant or flat, how efficient your solicitor is.

Please note that, if you are selling a home to buy one of ours, we can only accept you as a purchaser if your old home is sold subject to contract, and you are in a 'closed chain' where all concerned have their properties under offer and ready to progress to exchange of contracts.



QUESTIONS & ENQUIRIES

This is followed by a period of two or three weeks where you'll be responding to any enquiries from your solicitor or mortgage broker.

EXCHANGE CONTRACTS

We will then issue a Memorandum of Sale (MOS) to your solicitor. This summarises the details of the property you are proposing to buy. The MOS will include a date by which contracts must be exchanged, and makes your proposed purchase a legally binding agreement. The exchange date is usually within 4-6 weeks of the MOS being issued.

If the home you are buying is built and ready for occupation, this date will be fixed. If the home isn't quite ready or you are buying off-plan we will exchange 'on notice', meaning we'll advise you of an anticipated move date and will confirm specifics closer to the time. At this point, you will also pay the deposit your mortgage lender requires. You should also, at this stage, have your buildings and contents insurance policy in place.

COMPLETION

On average, this takes place two weeks after exchange of contracts, unless you are buying off-plan where you'll be asked to 'exchange on notice', with a date that is subject to change depending on the build progress.

On the completion date, your mortgage lender will give your solicitor the money to buy your home. Our solicitor will then pass that money on to your vendor's solicitors. Congratulations your home is yours and you can begin the really exciting process of moving in. Prior to moving in we'll also organise a home demonstration with you to explain how everything in your new home works. We'll discuss details of warranties as well and provide you with your home user guide.

On the day of completion, we'll meet you to give you the keys and welcome you to your new home. We're on hand to ensure your move goes smoothly. We'll also assist in troubleshooting any immediate issues you may come across. On completion day, you will also receive:

- More information about being a homeowner.
- A Home User guide which includes instructions for your heating and other appliances.
- Meter readings for you to pass on to your utility suppliers.
- Latimer home warranty booklet.

HOW MUCH WILL IT ALL COST?

As well as the actual price of your new home, there are many one-off costs which you must budget for. Below is an estimate of these costs, but they will vary according to individual circumstances.



THE RESERVATION DEPOSIT

With Latimer, this is the deposit you pay to reserve your home and to ensure it will not be shown to anyone else. This fee is taken off the purchase price of your home so it's not an additional payment.

THE MORTGAGE VALUATION FEE

Your mortgage lender will arrange a valuation of your home to check that it is worth the price you are paying. This costs around £400-£500 but it may vary from lender to lender. You pay this when you apply for your mortgage.



MORTGAGE ARRANGEMENT FEES

For fixed-rate mortgages, there are usually arrangement or application fees. These vary from lender to lender but you should allow £400-£1,500. Generally, the longer the interest rate is fixed for, the higher the fee. These fees are not refundable, so if you pull out later, you may lose this money. Your lender will tell you when you pay it and your mortgage advisor can provide more guidance.

STAMP DUTY LAND TAX

Often just called Stamp Duty, this is a government tax on buying a home. Your solicitor will confirm the exact cost as it is based on how much you pay for your home and whether or not you are a first time buyer. You pay the SDLT to your solicitor on the completion date.

UTILITY CONNECTION CHARGES

You'll have to pay a connection charge for telephone points to be connected to the phone company, which is likely to cost around £150.



SOLICITOR'S FEES

These are usually in the region of £1,500 in total. They include Land Registry fees, local search fees and other disbursements, which are payable up front. If you are selling as well as buying, it will most likely be more. The solicitor's own fee is payable on the completion date.

DEPOSITS

At the point of exchanging contracts you are legally bound and we will ask you for a percentage of the purchase price or share price. Like the reservation deposit, this is deducted from the price of your home – it isn't additional. The mortgage deposit is the sum required by your lender. When you exchange contracts, your mortgage lender will ask you for this.

WHY BUY WITH LATIMER?

Latimer is the development arm of Clarion Housing Group, which is the UK's largest provider of affordable housing with over 125,000 homes and more than 350,000 residents across the country. It's a huge operation, with 3,500 employees and around 20,000 new homes in the pipeline.

As part of Clarion, Latimer has the support of an unrivalled balance sheet with net assets of more than £7bn and a turnover of £944 million*, as well as a vast pool of expertise and experience to draw upon.

For the past 100 years, Clarion has been building communities that work for the long term. The Clarion story started with William Sutton, a 19th century entrepreneur who gifted his entire fortune (£200 million in today's money) to build affordable housing across major cities in the UK. Clarion has been delivering on his legacy ever since.



“Our model is very different to other developers.”



The majority of homes built by Latimer will always be affordable ones, but building homes for outright sale is also crucial for the business to develop mixed sustainable communities and to recycle any surplus from private sales back into building and maintaining more affordable homes.

What sets us apart is our long-term commitment to the people who live in our homes. We don't build and then simply move onto the next site, we create places for people to thrive and all of our work is built on strong financial foundations, meaning we are a dependable partner.

We also want every Latimer community to be socially and environmentally sustainable.

That means a consistent commitment to high quality and low carbon properties. In fact, we have set a target of making 100% of our homes net zero carbon compatible by 2025.

Our model is very different to other developers. We don't have shareholders, so we don't face short-term demands to make profit at any cost. Instead, we are driven by our commitment to quality, community and places that succeed.

If you buy a Latimer home, you will be buying into an organisation with more than 100 years of history and an enduring commitment to building communities that succeed. Whatever the stage of your property-owning journey, we're here for you.

FOCUSED ON CUSTOMER SATISFACTION



Buying your home should be exciting, not stressful. At Latimer, we want everyone to enjoy a seamless purchasing and moving in journey, and we give customer service the highest priority.

We recommend that you work with our panel of approved legal experts, to help make your purchase easy and straightforward. Our customer-facing teams are on hand to provide a smooth and consistent experience across all points along the journey, from your initial enquiry right through to reservation, progression, exchange and completion.

Many of our customers prefer to use online communication to access information and contact the sales team, so we have put a lot of work into making our website and other digital applications as user-friendly as possible.

We pay extra attention to the build-up towards completion, to give you a smooth moving-in day, and telling you all you need to know about your new home and surroundings.

Finally, your feedback is highly valued. Telling us about your purchasing experience – the good points and the places where we could improve – will help us to offer better and better service.

You may be offered the opportunity to complete a survey conducted via an independent third party to give your views.



“ We know it’s not only the big issues but the small details that make a difference.



GLOSSARY

Shared ownership affordability	We, alongside independent mortgage advisors, carry out checks to ensure that the property is affordable for you and will not leave you with any financial risks. We will also help to assess your eligibility where required.
Completion	This is the point at which all transactions concerning your house purchase are concluded and legal transfer of ownership passes to you.
Deposit	The sum of money paid by yourself on exchange of contracts. This sum is taken off the property purchase price and is not additional.
Exchange (of contracts)	The point at which signed contracts are physically exchanged, legally committing you to purchase the property at the agreed price.
Lease	A legal document by which the freehold (or leasehold) owner (Latimer) lets the premises or a part of it to another party (you) for a specified length of time; after the expiry of which ownership may revert to the freeholder or superior leaseholder.
Leaseholder	When you purchase your property through shared ownership, you become a leaseholder, with Clarion owning the freehold or head lease.

Maximum income	Maximum income thresholds apply for shared ownership, which vary dependent by location and are set by Homes England and the Greater London Authority. This is a maximum level of income that your household (classified as people contributing to the mortgage payments) can earn per year before you become ineligible. These thresholds are set to ensure that the home goes to those households who would otherwise not be able to afford to purchase a property.
Memorandum of sale	This document records the fact that both the buyer and seller have agreed sale. The sale only becomes legally binding at exchange of contracts.
Mortgage	An amount of money advanced by a lender such as a bank or building society on the security of a property and repayable over a long period.
Mortgage deposit	If you require a mortgage to purchase a home, it's likely that you'll need to put down a deposit.
NHBC	A type of building guarantee available on some newly-built homes of which defects occurring within a specified time after construction are remedied.
Off-plan	Buying a house or flat off-plan simply means buying it before it's been built.
Resale	A resale property is a shared ownership property that has become available to buy from its current owner. You can either buy the share that is for sale, or you can buy more if you can afford to.
Reservation	When you have decided that you would like to purchase a property, you can reserve it by paying a reservation fee. This means the property will not be available for others for a set time while the legal details of the purchase are being worked on.
Searches	Property searches (also known as conveyancing searches) are enquiries made by your solicitor to the local authority and other parties, to find out more information about a property you plan to purchase.
Service charge	The cost of repairing and maintaining external or internal communal parts of a building charged to a shared ownership leaseholder. We also include building's insurance and management charge.
Solicitor	A legal expert handling all documentation for the sale or purchase of a property.
Staircasing	Buying more shares of your shared ownership home is known as 'staircasing'.
Stamp Duty Land Tax or Stamp Duty	A tax paid by purchasers of properties.

CONTACT US

If you're thinking of purchasing a shared ownership property, then get in touch with our team.



shared.ownership@myclarionhousing.com



0300 100 0309



Minicom: We welcome calls from the text relay service, add 18001 before any of our phone numbers.



LATIMER
by Clarion Housing Group