

Shared ownership

Shared Ownership schemes gives first time buyers and those that do not currently own a home the opportunity to purchase a share in a property, the purchaser pays a mortgage on the share they own, and pays rent to a housing association on the remaining share.

A share of the home's value between 25% and 75% is purchased usually with a mortgage. The person will pay rent on the share owned by the housing association.

For Universal Credit purposes, shared ownership schemes are treated as SRS cases, housing costs are based on the rent and any eligible service charges. However, no size criterion is applied to shared ownership cases and as a result removal of the spare room subsidy does not apply.

Where applicable, the housing cost contribution (HCC) is applied to the rent and eligible service charge only.

For further information, see Mortgages.