



# Your guide to Shared Ownership with Home Stepper



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## What is Home Stepper?

Home Stepper is a *'part buy, part rent'* scheme, helping you buy your own home with a smaller upfront payment.

Buying a part of your home and renting the rest is a great way to start out on the property ladder. You will take out a mortgage for the share you buy (in some cases you can be a cash buyer) and then pay a subsidised rent on the share you don't own.

### How does it work?

You can buy between 10% and 75% of your home with as little as a 5% deposit. The deposit is based on the share you're buying, rather than the total value of your home. The share you don't buy is owned by Sage Homes. The rent on this share is subsidised and often cheaper than the open market so your monthly costs are manageable.

You can choose to buy more of your home when you're ready (called 'staircasing') right up to 100% (there are some exceptions to this). The bigger the share you have, the less rent you pay.

# Why choose Home Stepper?

Home Stepper can help you get on the property ladder faster than you might have thought. It also offers you a range of benefits.

## Starting out

The share of the home you buy is fully flexible, meaning you can buy as little as 10% or up to 75% of your home straight away. Your deposit can be as little as 5% of the share you buy, making it far easier to get your foot on the property ladder.

## Increasing your share

Once you've bought your share, you can buy more at any time you like, right up to owning 100% of your home (there are some exceptions to this). Check your lease on whether there are any restrictions on the maximum share you can own and for more information on this process known as 'staircasing'.

## Peace of mind

With a long-term leaseholder for the share you don't own (Sage Homes), you don't need to worry about short term rentals and landlords giving you notice. This is your home and a long-term investment.

## Am I eligible for Home Stepper?

Home Stepper is open to you whether you're a first-time buyer or looking to move up or down the property ladder. There are some general criteria that must be met, although there may be further criteria depending on the development.

Do you meet one or more of the below eligibility criteria? If so, you are likely to be eligible for Home Stepper.

- Your household income is less than £80,000 per year (£90,000 if you're in London)
- You have at least a 5% deposit
- You've passed the Homes England Affordability Calculator
- You're an existing homeowner who has sold subject to contract
- The home is your principal home, and you do not own any other property

## How much will it cost?

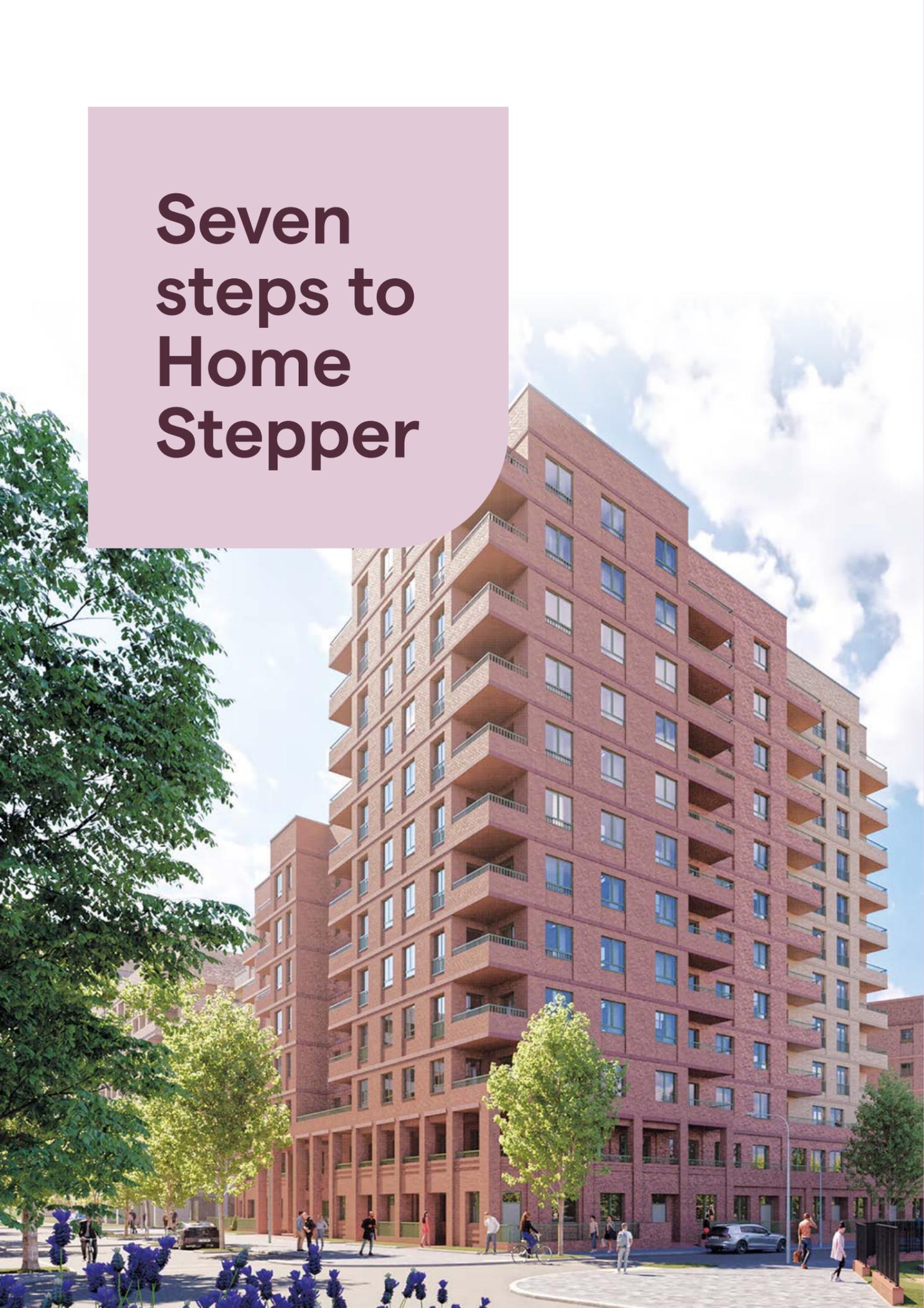
The cost of buying your Home Stepper home will vary from development to development. Here's an example of how Shared Ownership can work with a home worth £300,000 at full market value.

Property Value	£200,000	£250,000	£300,000	£350,000	£400,000
Share	50%	50%	50%	50%	50%
Deposit (5% of share)	£5,000	£6,250	£7,500	£8,750	£10,000
Mortgage Rate* (30 years)	5.99%	5.99%	5.99%	5.99%	5.99%
Monthly Payment (rent* and mortgage)	£798	£998	£1,197	£1,397	£1,596
Household income	£28,005	£35,006	£42,007	£49,008	£56,009

Shared Ownership terms and conditions apply with any Home Stepper transaction, please visit our website or speak to a sales consultant to find out more. \*Prices based on mortgage rate of 5.99% over a 30 year term. \*\*Buyer rent is reviewed yearly on 1st April and may increase in line with RPI.



# Seven steps to Home Stepper



## Step one: Register your interest

You can register your interest with the development you're interested in.

## Step two: Check eligibility

Check your eligibility with an Independent Financial Advisor using the Homes England calculator. If eligible, you'll receive details on the maximum home percentage you can buy and how much the rent will be for the portion you don't own.

## Step three: Find your dream home

Book an on-site appointment with a Sales Executive to explore available homes.

## Step four: Complete the Home Stepper application

The Sales Executive and Independent Financial Advisor will handle your application for approval. The developer will notify Sage Homes' Home Stepper team, who will review your application and documents.

## Step five: Reserve your home

When we receive your paperwork we'll carry out our initial eligibility and affordability checks. We'll confirm approval within five working days and call you to complete your reservation which includes taking your reservation fee. You will now need to instruct your chosen solicitor and submit your mortgage application. We'll carry out our compliance checks and once completed will issue the Memorandum of Sale, CML form and instruct searches on your behalf. This means that your solicitors don't need to order them, we've got this stage of your purchase covered.

## Step six: Exchange contracts

Your solicitor will manage the sale on your behalf, giving you relevant guidance as needed. Once all enquiries are satisfied, your solicitor has reported back to you and your mortgage is in place and approved, we will be able to either exchange on notice or exchange with a fixed completion date. If your home is ready to move into we will set a completion date, if it is not yet ready to move into we will exchange on notice and set a completion date once it is ready. You'll need to sign your contracts and transfer your deposit for exchange to take place. We'll plan your completion date once you've exchanged.

## Step seven: Move in

Congratulations! You've legally completed and now have a share in your own home. The developer will now handle the transfer of the lease over to Sage Homes. On the day of legal completion, your agent will meet you at your home to hand over your keys. They'll also walk you through your home to show you how everything works. You'll get a Home User's Guide which will give you all the information you need for your home, including how to deal with defects and report issues.



## Living in your new home

Our Homeowner Services team will contact you to introduce themselves and will check that you've been able to set up your account in the Customer Portal and that you can access your online account. Through the portal you can access your rent account, report defects, find useful documents and find more information on resales and staircasing.

### Want to buy more?

After moving in, you could buy a larger share in your home (called 'staircasing'), right up to owning 100%. The more you own, the less rent you pay Sage Homes. Prices for the extra share you buy will be based on the market value of your home at the time you want to buy them.

For more information on staircasing, visit [sagehomes.co.uk](https://www.sagehomes.co.uk) or ask to see our Staircasing Guide.

### Want to sell?

You can sell your share in your home at any time. The value of the shares will be based on the full market value at the time of selling. Sage Homes will market your home for you as we have many buyers wanting a Home Stepper home. In the unlikely event we can't find a buyer, you'll be able to appoint your own agent to sell on your behalf.

For more information on reselling, visit [sagehomes.co.uk](https://www.sagehomes.co.uk) or ask to see our Resale Guide.



## Frequently asked questions

### What exactly is Home Stepper Shared Ownership?

You are an assured tenant in a leasehold property whilst also building equity in a share of the property.

### Can I buy any home using Home Stepper?

No, Home Stepper is only available for specific homes.

### How much rent will I pay?

This depends on the value of your home and the share you've bought. The annual rent is usually set at 2.75% of the value of the share you don't own. This increases annually as per the terms of your lease (usually RPI + 0.5%).

### Who insures my Home Stepper home?

Sage Homes will provide the building insurance cover. We'll recover the cost of this through service charges. You'll be responsible for arranging your contents insurance.

### Can I decorate my Home Stepper home?

You can decorate your home as you see fit. There may be restrictions on alterations.

### Can I have a lodger or sub-let my Home Stepper home?

Most Home Stepper leases don't allow sub-letting. Lodgers are often allowed, as long as you get permission from Sage Homes first.

### What is a Shared Ownership lease?

The Shared Ownership lease is a document setting out the rights and obligations of the landlord (Sage Homes) and tenant (you).

### How many bedrooms am I able to buy?

There is no restriction on the number of bedrooms in your home.

### Can I sell my home in the future?

You can sell your home at any time if you're ready to move on. Your lease will set out how long Sage Homes has to find a buyer for your home. If you're selling through an estate agent on the open market you can simultaneously buy the remaining shares and sell your home outright. This is all done through your solicitors.

The share of the home you're selling must be sold at a value set by an independent valuer.



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