



## SHARED OWNERSHIP Key Features

<b>1</b>	Eligibility	<p>The Shared Ownership Scheme is available to retired Clergy, Deaconesses, licensed Lay and Church Workers; and Church Army Officers, who retire with a minimum of five years qualifying pensionable service and do not have sufficient financial resources to purchase accommodation for themselves.</p>
<b>2</b>	How the Scheme works	<p>We purchase the property and you invest in a share in the property from your personal resources. You will pay rent to us for the proportion of the property that you do not own as well as the cost of buildings insurance.</p>
<b>3</b>	Ownership of the Property	<p>The Board owns the Freehold or Leasehold of the property, and the Lessee and the Board both share in the equity – the Lessee’s share is in proportion to the amount of capital invested in the property.</p> <p>The Board grants the Lessee a long Fully Repairing Lease to occupy the part of the property that we own.</p>
<b>4</b>	How respective equity shares are determined	<p>Equity shares are determined by reference to the open market value of the property when purchased.</p> <p>For example, if a property is purchased for £200,000 and you invest £60,000 towards the purchase price, the equity share split between you and us will be 30%:70% respectively.</p> <p>The open market value will be determined by two valuations and agreed with our funding partner, where the latter provides the funding.</p>



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<b>5</b>	Minimum equity share that a Lessee can own	The minimum share is 25% of the purchase price.
<b>6</b>	Can a Lessee purchase additional equity shares in the future?	Yes - this is known as “staircasing”. We will require the market value to be determined by two valuations - by a RICS valuer and an NAEA Agent.
<b>7</b>	Minimum additional share of the property that a Lessee can purchase	You can increase your share in the property in increments of 10% of the open market value of the property. Should you increase your share in the property, the rent paid will decrease as we will own a lesser share.
<b>8</b>	Is there a limit to the proportion of the property that can be owned by the lessee?	No – you can purchase additional shares, at different times, until the property is owned outright.
<b>9</b>	Maximum funding that the Board will contribute	£150,000.
<b>10</b>	Types of properties considered unsuitable for Shared Ownership	<p>Examples include:</p> <ul style="list-style-type: none"> <li>• Properties on or significantly close to a contaminated site;</li> <li>• Properties known to have flooded in the past five years;</li> <li>• Sheltered (Retirement) properties;</li> <li>• Properties considered to be at a high risk of subsidence or movement;</li> <li>• Properties entirely built of timber;</li> <li>• Properties with roofs of thatch or timber shingle;</li> <li>• Properties above commercial units;</li> <li>• Properties with concrete panel</li> </ul>



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		<p>construction or precast reinforced concrete;</p> <ul style="list-style-type: none"> <li>• Park homes, temporary structures or houseboats;</li> <li>• Grade I or II listed buildings;</li> <li>• Timber frame built before 1960;</li> <li>• Studio flats; and</li> <li>• Flats with less than 90 years unexpired on the lease.</li> </ul> <p>(Please refer to page 6 of the <i>Shared Ownership Booklet</i> for the comprehensive list of unsuitable properties).</p>
<b>11</b>	Financial commitments relating to the share owned by the Board	<p>The Board grants the Lessee a 125 years lease to occupy the property, and the lease requires you to pay:</p> <ul style="list-style-type: none"> <li>• the rent; and</li> <li>• Building insurance contribution.</li> </ul>
<b>12</b>	Other financial outgoings	<p>You will also need to pay:</p> <ul style="list-style-type: none"> <li>• repairs and maintenance;</li> <li>• utility bills – water, gas and electricity;</li> <li>• council tax;</li> <li>• contents insurance; and</li> <li>• daily living expenses.</li> </ul>
<b>13</b>	Board's obligations under the lease	<p>We are required to:</p> <ul style="list-style-type: none"> <li>• ensure that the property is maintained and is kept in good repair; and</li> <li>• arrange the buildings insurance.</li> </ul>
<b>14</b>	Sale of Property	<p>Proceeds from the sale at the open market value will be distributed according to the proportions of equity owned by the lessee and the Board respectively.</p>
<b>15</b>	Death of Lessee – no dependants.	<p>The property is sold at the open market value and the proceeds relating to the deceased</p>



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		lessees share will form part of their estate.
<b>16</b>	Death of Lessee - with dependants.	A widow(er) or surviving civil partner can continue to pay rent to the Board; and share in any possible appreciation or depreciation in the value of the property until they decide to vacate the property, when it will be sold as outlined in 14 above.
<b>17</b>	Choosing where to live in retirement.	You can choose to live anywhere in England and Wales – subject to funding and size parameters applicable to the Scheme.
<b>18</b>	Costs associated with the purchase of a retirement property.	The Board will meet its own solicitors' and surveyors' fees in connection with a purchase. You will need to have separate legal advice, and will be liable for these solicitors' costs.
<b>19</b>	Stamp Duty Land Tax (SDLT)  (Please note: this information is current, but may be subject to change by HMRC).	Stamp Duty Land Tax may apply to the Capital Premium that an applicant contributes to the purchase of a Shared Ownership property and the Core Rent element of the Lease over the period of the Lease.  Applicants are advised to seek legal advice in respect of any potential SDLT liability.

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