

A Guide to JS Crawford 3rd Generation Ltd Shared Purchase Option

Shared purchase

A shared purchase scheme is when you pay 80% of the purchase price with JS Crawford 3rd Generation Ltd taking a second charge on the remaining 20%. The 20% becomes an interest free loan which is required to be repaid on you selling the property or after 10 years. Therefore you initially only pay 80% of the price to purchase the property. You will own 100% of the property and will be responsible for 100% of all land burdens, buildings insurance etc.

What is the amount of the repayment after 10 years?

The amount of the repayment is based on 20% of the Open Market Value.

How is this calculated?

An independent surveyor will be instructed to give an Open Market Value and the amount to be paid will be based on 20% of this. The value of any improvements made by you since you moved in will be deducted from the valuation figure.

If property is resold within the 10-year period how much do I pay back?

You will pay back 20% of the price when you sell the house, provided the house has been fully and properly exposed to the market.

What is the resale price is below purchase price?

The equity share repayment will still be based on 20% of the sale price.

What next, buying the home?

You are required to complete a reservation form and the reservation fees per our covering letter. The contract pertaining to the purchase along with a separate deed relating to the shared equity scheme will be sent direct from our solicitor to your nominated solicitor.

Does this affect my mortgage?

Your mortgage on this purchase is separate and between you and your lender. Certain transactions/ changes that you wish to make on your mortgage may require our consent as second charge holders.

Important Note:

1. In addition to your standard Missive you will have a separate Deed relating to the shared purchase scheme. At all times the mortgage on the 80% requires to be repaid as your home may be reposed if you do not keep up repayments on your mortgage.
2. Before proceeding with this offer independent advice should be sought.
3. All the above is without prejudice and legal confirmation