

Anglesey Homebuy Scheme

Overview

This Anglesey Homebuy Scheme, offered by Isle of Anglesey County Council, provides financial support to persons who cannot afford the full price of a home for sale on the open market without assistance.

The scheme is available to

- local first time buyers who are finding it difficult to take their first steps onto the property ladder
- Persons who may have previously owned a property but are not currently a homeowner
- Existing shared equity property owners.

The scheme is discretionary and subject to available funding

How does it work?

If you are looking to buy a home and unable to access sufficient mortgage to buy on the open market, the Council may be able to assist with an equity loan, thus enabling you to buy a home without having to fund its entire cost. The house would then be a shared equity property.

You will need to have at least 5% deposit to access the scheme.

You'll have 'complete title' to your home and your name will be on the title deeds for it. The council's equity loan is secured by means of a second legal charge on the home, after the first charged mortgage to make sure the Council's share is protected.

If you sell the property, you will repay the Council's equity share. The Council will require a valuation and will also take into consideration any improvements carried out on the property. The Council instruct Tai Teg to arrange for your home to be valued by a RICS valuer and you, as the seller, will pay the valuation fee. Upon receipt of the valuation, the Council will be able to confirm the sum you will be required to repay. For example if you received a 30% equity loan then you would repay 30% of the value of the property upon sale.

An example of when the property value increases

Original Purchase and Valuation Price	£160,000
Your share (70%)	£112,000
The Council's equity share (30%)	£ 48,000
Sale Price	£180,000
You receive 70%	£126,000
The Council received 30%	£ 54,000
In this example, the value of your stake has increased from £112,000 to £126,000	

An example of when the property value decreases

Original Purchase and Valuation Price	£160,000
Your share (70%)	£112,000
The Council's equity share (30%)	£ 48,000
Sale Price	£150,000
You receive 70%	£105,000
The Council received 30%	£ 45,000
In this example, the value of your stake has decreased from £112,000 to £105,000	

How much assistance is available?

- The maximum amount of financial assistance provided by the Council will be 30% of the value of the qualifying property. This is capped at a maximum sum of £75,000 unless otherwise agreed.
- The maximum purchase price of the property is capped at £250,000.

Will I be Eligible?

- All prospective purchasers must be registered and approved by Tai Teg. Registration is free and further details on the process is available on (<https://taiteg.org.uk/en/register>)
- Applicants must be over 18 years of age.
- Applicants must be in work, including self-employed.
- Gross household income must be between £16,000 and £60,000.
- Applicants will have to gain access to a mortgage or have sufficient savings and be unable to afford to buy a property suitable for their family size on the open market.
- The household must be able to raise a minimum 5% deposit on the share of the home, which they will own and be able to obtain a mortgage on the share they will purchase.

Responsibilities

When you buy through the Anglesey Homebuy Scheme you have 'complete title' to your home. This means you have the same responsibilities as every other homeowner. You'll be responsible for:

- paying your mortgage
- home contents insurance
- building insurance
- repairs and maintenance
- council tax
- heating, lighting and water bills
- fittings and furniture

How will applicants be prioritised?

Priority 1 Applicants who have a 5 year or more residency in the Community/Town Council area in which the property is located.

Priority 2 Applicants who have a 5 year or more residency in one the Community/Town Council areas adjoin the Community/Town Council area in which the property is located.

Priority 3 Applicants who have lived or worked in Anglesey for a period of 5 years.

You are strongly advised to take independent financial and legal advice before agreeing to take part in the scheme.

Further information is available on the Tai Teg Website (www.taiteg.org.uk) and a copy of Isle of Anglesey County council's Shared Equity Policy is available on the Council's website (www.ynysmon.gov.wales)