



a place to
Belong

A guide to Shared Ownership

More than just a place to live





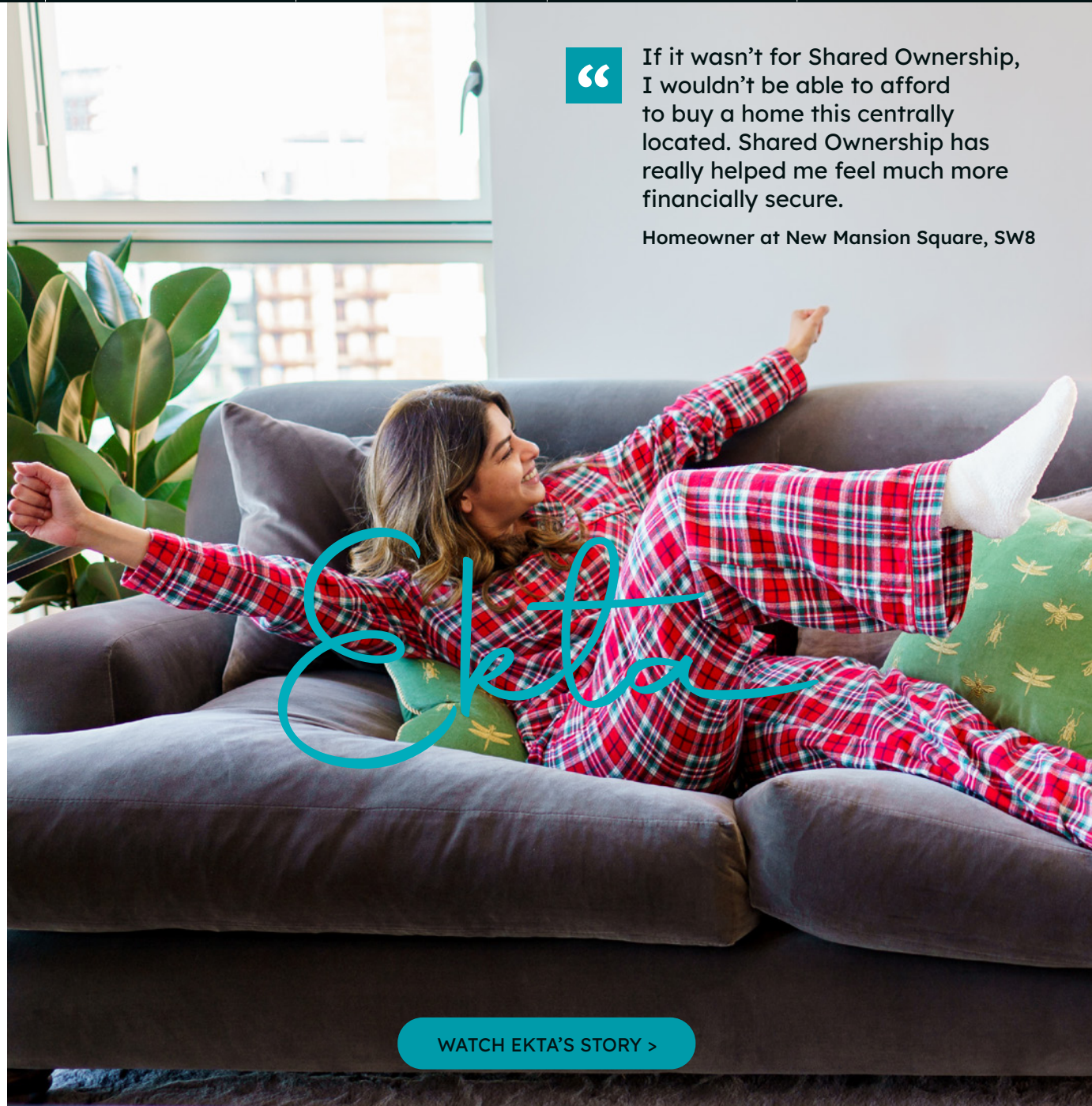
Osman, homeowner at Southmere, SE28

Contents



Shared Ownership

is a government-backed scheme that has enabled over 200,000* people to get on the property ladder, who otherwise wouldn't have been able to.



“

If it wasn't for Shared Ownership, I wouldn't be able to afford to buy a home this centrally located. Shared Ownership has really helped me feel much more financially secure.

Homeowner at New Mansion Square, SW8

[WATCH EKTA'S STORY >](#)

Owning your own home *made possible*

We have a proud legacy of helping generations of residents find their place in thriving neighbourhoods and communities. We've been doing it for over 160 years.

The team at Peabody New Homes is dedicated to finding you a home that is more than just a place to live. A place to make your own. A place to belong. A place that you're proud to call home.

We know how difficult it can be to take your first step on the property ladder, especially in the capital. The cost of rent combined with the cost of living can make saving for your own home feel impossible. But we don't think it has to be that way. We're delighted to offer Shared Ownership as a way to make it possible for people to finally be able to own their own home.

“

We really wanted to stay in London and buying through Shared Ownership was the best way to make this happen

Raph & Jaye, homeowners at The Switch, Wimbledon



Designed to help you get on the property ladder



Helping people buy homes for nearly 50 years

Shared Ownership was introduced in the 1970s. Since then it has become widely available on new and second-hand homes from housing associations like Peabody New Homes across London and the UK.

Shared Ownership makes it possible to buy a property that otherwise would not have been affordable on the open market. It's best suited to people who have some money saved, but not enough for a deposit to buy 100% of a home.



Making sure Shared Ownership is right for you

Shared Ownership is designed to help you get on the property ladder. To be eligible, your household income can't exceed £90,000 when buying a home in London (£80,000 when buying outside of London).

While there are income caps, you'll need to be earning enough to make sure you can comfortably afford your mortgage, rent, service charge and bills.



Checking your eligibility

When you find a home you like, you must go through a quick financial assessment to make sure you meet the requirements.

The eligibility for buying a home through Shared Ownership varies depending on its location and size. You can read more about eligibility and how we allocate homes [from page 15](#).



Not just for first-time buyers!

Many people who buy a home through Shared Ownership are buying for the first time, but it's available to anyone who meets the eligibility criteria. If you already own a home, you must be in the process of selling it as you can't own any other property at the time you buy a Shared Ownership home.

Navigating the journey together

Shared Ownership can seem complex, but don't let that put you off! We're here to help you every step of the way.

Here's how it works...

Step

One

Buy a share

Initially buy as little as 25% or as much as 75% of your home

Step

Two

Pay rent on the rest

The share you don't buy is owned by Peabody. The rent is discounted, so it's cheaper than on the open market

Step

Three

Buy more later

As your savings grow over time, you can buy a larger share in your home, until eventually you own 100%

Step One

Buy a share

Initially buy as little as 25% or as much as 75% of your home.

Buying a share in your home

Shared Ownership allows you to buy a share of your home with a mortgage. This can be as little as 25% or as much as 75% initially. Typically, people start with a 30% share.

Paying a smaller deposit

You only need to pay a deposit on the share you're buying, not on the total cost of the home. This means that the amount you need in savings is far less than if you were buying the same property outright with a mortgage.

Stamp Duty

This is a government tax on buying a home, collected by HMRC. At the moment, if you are a first-time buyer, you **do not** have to pay Stamp Duty if your home costs less than £425,000.

On any property purchase price of up to £625,000, you won't pay Stamp Duty on the first £425,000. After this, first-time buyers will pay 5% on the remaining amount, up to £200,000.

If you need to, you can save on Stamp Duty by paying in stages and spreading the cost over a longer period.

Photography of show apartment at New Mansion Square, SW8



Example: One-bed apartment at New Mansion Square, SW8

Full market value: £388,000
Minimum income you need: £54,530



25% share
with a £9,700
deposit



50% share
with a
£19,400
deposit

Step Two

Pay rent on the rest

The share you don't buy is owned by Peabody. The rent is discounted, so it's cheaper than on the open market.

Keeping it affordable

With Shared Ownership, you pay rent to Peabody on the share you don't buy. To help keep the cost down and make homes more affordable, we discount the rent compared to the open market.

You're buying a share on a lease for your home, which is usually for 250 years. Since you'll own a lease, you'll be a leaseholder and Peabody will be the landlord.

Making a home your own

As well as being a leaseholder, buying through Shared Ownership means that you're an owner-occupier, with all the same rights and responsibilities. You're free to decorate your new home as you wish and are responsible for its

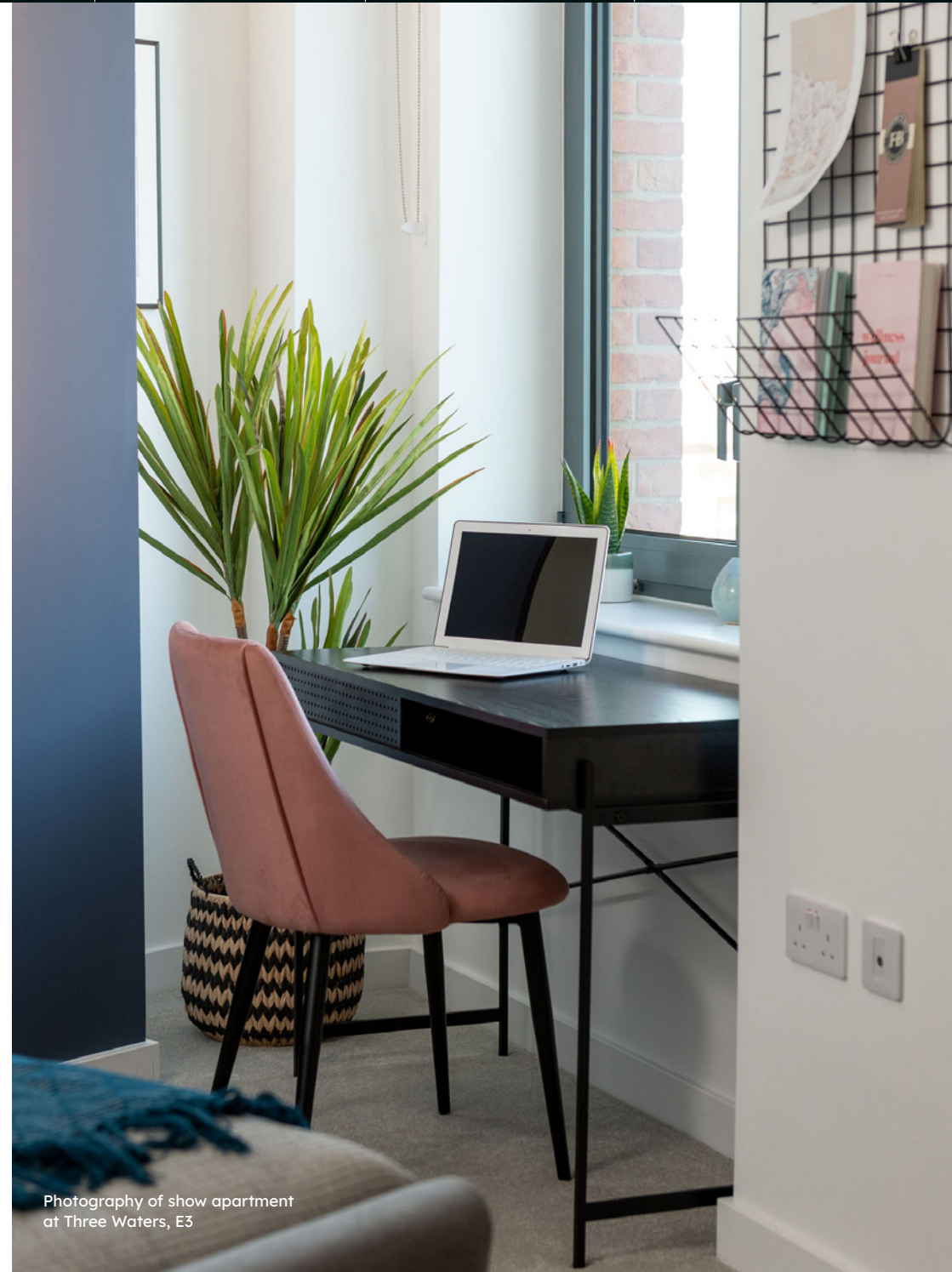
maintenance and upkeep. If you wish to make any structural changes, such as removing walls, you must get Peabody's approval.

Ongoing monthly costs

As a leaseholder, you'll need to pay a monthly service charge to Peabody. This covers the upkeep and maintenance of all shared areas and is a common cost in apartment blocks, on estates or new developments.

Ongoing annual costs

You may need to pay an annual ground rent to Peabody, typically between £200-£300. In most cases, this won't be applicable until you own 100% of your home, and will be detailed in your lease agreement.



Photography of show apartment
at Three Waters, E3

Step Three

Buy more later

As your savings grow over time, you can buy a larger share in your home, until eventually you own 100%.

Buying more shares in your home

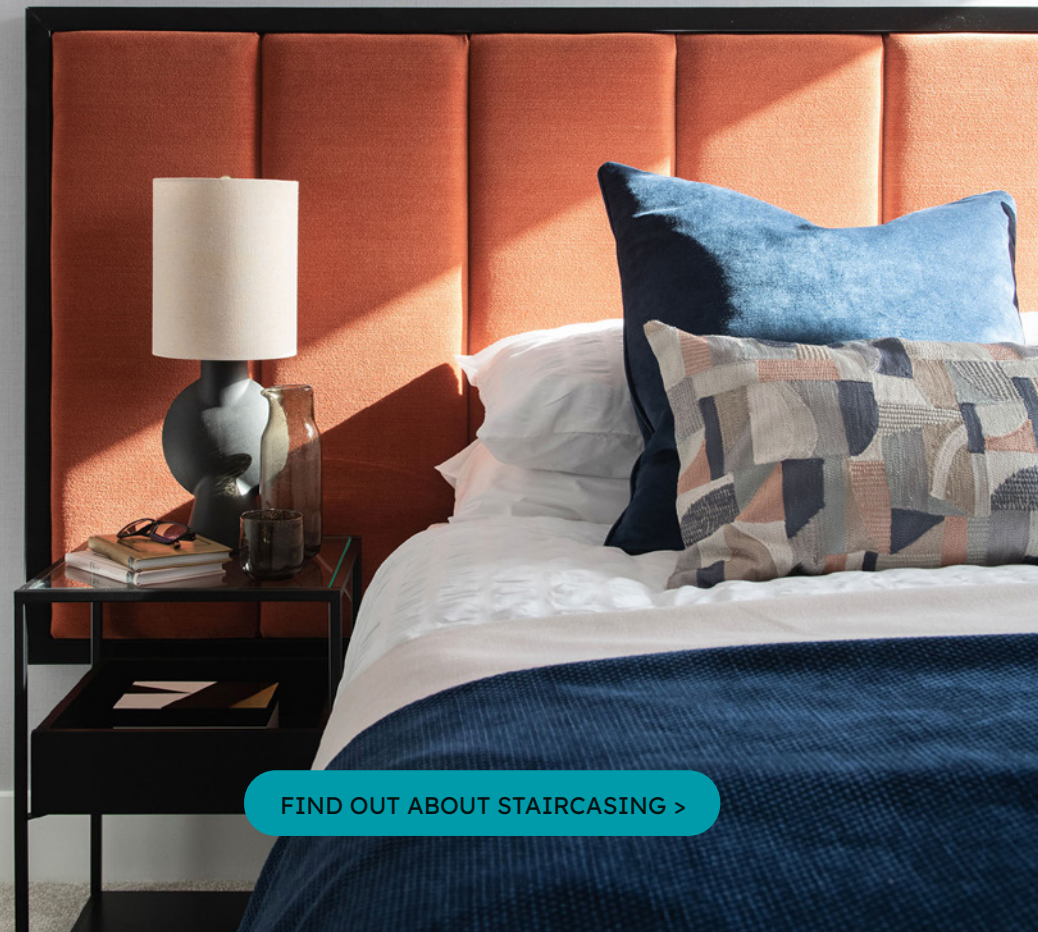
As your savings grow over time, you can buy a larger share in your home, until eventually you own 100%. This is known as Staircasing.

The higher the share you own, the less rent you have to pay Peabody. The price you pay for any extra share is based on the market value of your home at the time you wish to buy more shares, which could go up or down. If you buy all the remaining shares in your home, you become the outright owner, paying no rent.

Increasing your share at any time

You can buy more shares in your home at any time and there is no limit to how many times you can staircase. You should be aware that buying shares comes with various costs, including valuation fees, admin fees and legal fees. Most people will staircase two or three times before they own 100% of their home.

Photography of show apartment
at New Mansion Square, SW8



[FIND OUT ABOUT STAIRCASING >](#)

Selling your home

You can decide to sell your home at any time, even before you have reached 100% ownership. The value of the share you own will be based on the full market value at the time of selling your home. So, If the value of your home increases over time, the value of your share will too.

At Peabody New Homes, we make selling your home simple. We will market your property and liaise with all parties to complete the sale. In the unlikely event we're unable to find a buyer within 8 weeks, you can appoint your own selling agent.

As with the sale of any home, there are associated costs which you should be aware of before making a decision.

[FIND OUT ABOUT SELLING >](#)



Cost of buying through Shared Ownership

To give you an idea of the costs involved in buying your home through Shared Ownership, we have put together an illustration.



25% SHARE
£97,000



YOUR DEPOSIT
£9,700



MONTHLY COSTS
£1,384

£465 Monthly mortgage
£666 Monthly rent
£253 Monthly service charge



OTHER ESTIMATED COSTS
£3,999

£500 Reservation fee
£700 Solicitors fee
£600 Legal disbursements
£400 Mortgage advisor fee
£0-£800 Mortgage valuation fee
£0-£999 Mortgage arrangement fee

Photography of show apartment at New Mansion Square, SW8




£879
Average saving

Why rent when you can buy through Shared Ownership?



Renting a new-build apartment near New Mansion Square, SW8

1-bed apartment average monthly rental prices* within ½ mile of New Mansion Square

£2,930



Buying through Shared Ownership at New Mansion Square, SW8

1-bed apartment average monthly cost*

£2,051

Monthly cost includes rent, estimated mortgage repayments and service charge.

Your journey to owning *your own home*



1

Register

Once you have found a place you love, get in touch with the Peabody New Homes team by completing an application form to let us know you're interested.

[REGISTER YOUR INTEREST >](#)

2

Assess

Before you can view any homes, we'll need to make sure you meet all the criteria.

We'll arrange for you to have an initial assessment with an Independent Mortgage Advisor (IMA) to understand a bit more about your financial position and whether Shared Ownership is the best option for you.



3

Reserve

Once the show home is ready, we will invite you to book a viewing either in person or online from the comfort of your own home, whatever suits you best.

You can reserve a home for £500 and choose a selection of homes to give you a higher chance of being offered a home if we receive more than one reservation for any single property.



4

Offer

Within seven days of making a reservation we will confirm whether we're able to offer you a Shared Ownership home with an offer letter.

If we receive more than one reservation for the home, we will make a decision based on who best meets the eligibility criteria and the minimum affordability requirements. For more info on how we prioritise, see [page 17](#).

Your journey to owning *your own home*



5

Meet

Within five days of being offered a property, you'll be invited to meet an Independent Mortgage Advisor (IMA) from our selected panel of experts (but you are under no obligation to use them).

They'll do a more in-depth check to make sure you're able to afford the home and double-check you meet the eligibility criteria set out on [page 16](#). You'll need to bring some ID, bank statements and payslips.



6

Instruct

You'll need to formally instruct a solicitor and mortgage advisor on the day of your financial assessment. You can choose from our selected panel or appoint your own. Some Mortgage Advisors will offer this service free of charge while others charge a small fee, so please check before choosing.

Once you've done this, you'll need to complete an Offer Acceptance Form. At this stage your reservation fee will be non-refundable up to completion.



7

Secure

Submit a mortgage application within two working days of your financial assessment. (If you're going directly to a lender you might need an appointment before this to meet the timescale). An independent valuation of your new home will be carried out on behalf of the mortgage lender. If they are satisfied with the valuation and financial checks, they will present you with a mortgage offer.



8

Sign

The Peabody New Homes solicitor will be in communication with your solicitor to provide legal paperwork and respond to any legal enquiries. Once we receive an Offer Acceptance Form, we will send a Memorandum of Sale to your solicitors.

After all legal enquiries have been satisfied, your solicitor will contact you to arrange exchange of contracts. Upon exchange, you're legally bound to buy the home and Peabody New Homes is legally required to sell it to you.. This is usually within six weeks of you being offered the home, or within five working days of receiving your mortgage offer (whichever date is earliest).

Your journey to owning *your own home*



9

Complete

As soon as the property is ready to move into, a completion date will be arranged.

Completion day is usually within 10 days of exchanging contracts (longer if the home is still being built). Before this, we'll be in contact to arrange a time to pick up your keys.

Once completion has taken place, you'll legally own your home through Shared Ownership!



10

Move in!

When you move in, our team will be on hand to welcome you and show you how everything works in your new home. They'll also help you take meter readings.

You'll receive a New Home Guide with useful information, including what is considered a defect and the process to follow, as well as any applicable certificates for your home. Now all that's left to do is sit back, relax and enjoy your new home!



I was scared, but I did take that leap of faith. Peabody were really caring and accommodating.

Homeowner at The Reach, SE28

Mary

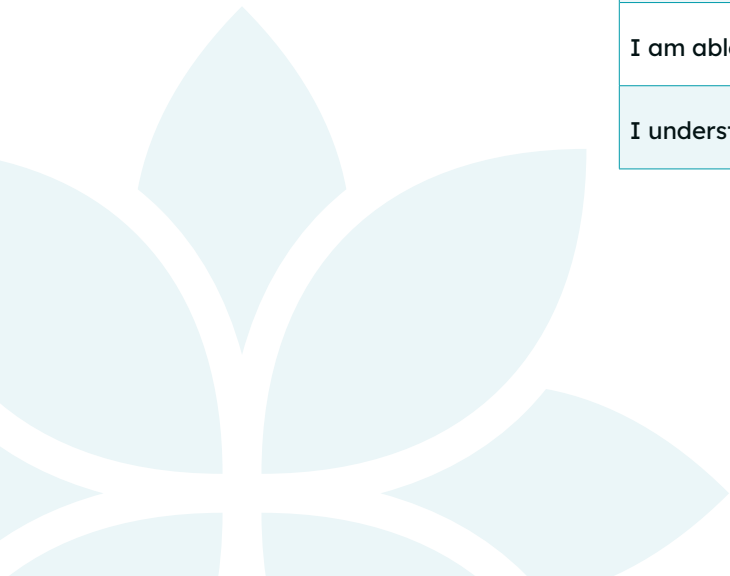
[WATCH MARY'S STORY >](#)

Check you're eligible for Shared Ownership

Shared Ownership helps those who need it most. Eligibility varies depending on the development and your circumstances. We've created a handy checklist you can use to see if you're eligible.

[CHECK YOUR ELIGIBILITY >](#)

	YES	NO	N/A
My household income is not more than £90,000 when buying a home in London (£80,000 when buying outside of London)			
I am a first-time buyer or in the process of selling the home I own			
I am a British or EU/EEA citizen, or have indefinite leave to remain			
I can't afford to buy a suitable home any other way			
I do not owe any money on unpaid rent or mortgage			
I am able to show that I can obtain a mortgage based on my current credit report			
I am able to pass money laundering and fraud checks			
I understand and can afford the ongoing costs of buying through Shared Ownership			





Photography of show apartment at Southmere, SE28

How we prioritise Shared Ownership

Shared Ownership is available to anyone that meets the eligibility criteria for an available property. As some of our developments can be very popular and at times, receive more reservations than we have homes available, we use a scoring system to prioritise certain

people to ensure that our homes go to those most in need. On some occasions there may be additional priorities set by the Local Authority which will then override our standard Allocation Policy.

To make sure properties go to those most in need, priority will be given in the following order.

Existing social tenants - because council and housing association tenants buying their own home will release a home to someone else who needs social housing

Military personnel

Applicants registered on the local authority's housing waiting list or who are in a local priority group

First-time buyers

Buyers with a home to sell

After the initial priority groups have been considered, applications will then be prioritised based on:

People who live and work within the same borough of the home they wish to buy

People on the lowest income, but still able to afford the property

People with a larger household size i.e. families

Shared Ownership mythbuster

Shared Ownership involves living with a complete stranger

FALSE!

The 'shared' aspect of the scheme is because you're sharing ownership of your home with Peabody. You can choose to live with whoever you wish!

Shared Ownership mortgage and rent is expensive

FALSE!

In many cases, the monthly payments for a Shared Ownership property is less than renting privately. You only pay a mortgage on the percentage share that you own. You'll pay rent to Peabody which is discounted to help make it more affordable. See [page 8](#) for more info.

Shared Ownership is only for first-time buyers

FALSE!

Shared Ownership is available to anyone who doesn't own another home (or is in the process of selling their current property). Check [page 16](#) to make sure you're eligible.

You can't sell a Shared Ownership home

FALSE!

As circumstances change, you may wish to sell your Shared Ownership home. Peabody New Homes will market it for you for the first 8 weeks. After this, you can appoint your own selling agent. See [page 10](#) for more info

Shared Ownership *mythbuster*

Shared Ownership prevents you from owning the whole home

FALSE!

As your savings grow over time, you can buy a larger share in your home, until eventually you own 100%. This is called 'staircasing'. See p9 for more info.

Shared Ownership is only available on new-build properties

FALSE!

In addition to our brand new properties, Peabody New Homes often have older 'Resale' properties available for sale. These are Shared Ownership homes that the current owner bought as a new-build or from an existing shared owner and now wish to sell on.

You'll pay 100% of the Stamp Duty

FALSE!

At the moment, if you are a first-time buyer, you do not have to pay Stamp Duty if your home costs less than £425,000.

If you do have to pay, you'll have the option of paying Stamp Duty on the full value of the property or just on the share that you are purchasing.

You can't make the space your own

FALSE!

Your home is more than a place to live; it should be a reflection of you. Unlike when you're renting a property, when you buy a Shared Ownership home you can make the space your own. There's no landlord telling you how to decorate, so you can get creative and put your own stamp on it. What's more, Peabody New Homes Shared Ownership properties are designed with modern fixtures, fittings and appliances throughout, so there's no need to spend extra money. There are certain structural improvements you would need to gain permission for (like adding an extension or fitting a new kitchen or bathroom).



**For more information
please contact:
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peabodynewhomes.co.uk**

More than just a place to live

Details correct as of June 2025