

Option	Homebuy		Right to Return
<b>Description</b>	<p>The Leaseholder will own the property, but part of the purchase price will be paid by the Council or other provider as a loan to be repaid when the property is sold or transferred to another owner. The loan to be repaid will be calculated as a percentage of the purchase price of the new property as follows:-</p> $\frac{\text{Amount of Loan}}{\text{Purchase price of Property}} \times 100$		The leaseholder has the right and priority to return to the estate. They will be offered a shared ownership by the registered provider within the new estate.
<b>Minimum Percentage of property Purchased</b>	Leaseholders must provide at least 50% of the purchase price of the new property		Leaseholders must purchase at least 25% of the new property
<b>Minimum Contribution</b>	The minimum contribution is the full value of the leaseholders existing property plus any homeloss payments as paid by the Council.		The minimum contribution is the full value of the leaseholders existing property plus any homeloss payments as paid by the Council.
<b>Location of the replacement property</b>	Anywhere within the borough of Greenwich		Within the regeneration areas of the scheme
<b>The value of the replacement property</b>	<p>The value of the replacement property must be no more than 2 times the value of the leaseholder's current property with an upper limit of £550,000. E.g. current property value plus the homeloss payment £110k x 2.0 = £220,000 with a maximum purchase price of £550,000 (figures from Lovell for a 4 bed 6p flat (Morris Walk South))</p>	<p><i>nb. These scheme loans are not intended to help purchase more expensive properties off the estate or to be used to fund very high value properties. There is therefore a cap on the value of the replacement property.</i></p>	As per the leaseholders appropriate needs

<b>Rent</b>	There is no rent payable		Rent is based on the percentage difference e.g. if the leaseholder purchases 25% the rent will be payable on the 75% (the rent percentage figure will be e.g. 2.75% of the equity share retained by the RP)There will also be service charges to pay in addition.
<b>Repayment</b>	The loan (which will be interest free) is only to be repaid when the property is sold or transferred to another owner, unless inherited by a resident family member. The loan repayment value will be the loan percentage of the market value of the property at the time of the sale. <small>The loan percentage will be the figure as calculated in "Description" above.</small>	<i>If the property is inherited by a resident family member this can only occur once (succession)</i>	The leaseholder does not need to repay the shared ownership loan.
<b>Inheritance</b>	The loan will need to be paid in full except where there is a surviving resident spouse or partner or a specified family member who has lived at the property for the whole 12 months preceding the leaseholder's death.	<i>If the property is inherited by a resident family member this can only occur once (succession)</i>	The shared ownership must be staircased in full (i.e. the full 100% of the property must have been brought by the leaseholder) except if there is a resident spouse or partner who can inherit the shared ownership arrangement or a specified family member who has lived at the property for the whole 12 months preceding the leaseholder's death.
<b>Paying the loan off early</b>	The leaseholder can at any time pay off the loan and the value of the loan will be calculated on the current market value of the property at the time of repayment.		The leaseholder can purchase more shares in the property at a minimum of 10% chunks of the remaining share up to 100%.

<b>Right of first refusal of the Council on sale</b>	If the leaseholder proposes to sell the property it shall first offer to sell the property to the Council at the current market value.		
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NB. Where the total of the Market Value and Home Loss Payment equals 50% of the value of the new property being purchased.

This is equivalent to the new home being a maximum of 2 times Market Value of the current home or the equivalent purchase price of a property within the new Development on Morris Walk South