

# **Low Cost Homes Ownership**

## **Buying a Resale Property - Frequently Asked Questions**

### **How does this work?**

Low cost homes previously purchased direct from the developer will occasionally become available to buy when the owner decides to move on. The Council will try to find a new buyer for the property who meets the qualifying criteria. This will normally give priority to first time buyers on a moderate income who would not be able to afford to buy property on the open market. The Council will set a maximum household income for prospective purchasers and priority will always be given to current Council or Registered Social Landlord tenants.

### **How do I find out when properties are available?**

Resale properties will be listed on the Council website:  
[www.aberdeencity.gov.uk](http://www.aberdeencity.gov.uk)

We will send emails to all parties who have previously expressed an interest in this type of property, and also to anyone on our housing waiting list who has indicated they would be interested in low cost home ownership.

### **How do I apply?**

If you are interested in applying for a resale property you must complete the application form.

There will be a closing date for applications, normally 3-4 weeks from the date of advertising. The closing date will be given on the form.

### **What happens after I submit an application?**

Applicants will be given access to the Home Report and invited to view the property. This may be arranged directly by the seller or by the seller's solicitor. After the closing date the Council will draw up a short list of applicants, ranked in priority order.

## **What happens if I am offered a property?**

The applicant at the top of the list will be offered the property. This may be through the seller's solicitor or directly by the Council. Should that applicant decide not to proceed the rest of the applicants will be offered the property in turn until it is sold. At this point the buyer will have to make a formal offer to purchase through their solicitor. Any contractual agreement is entered into with the seller directly and does not involve Aberdeen City Council in any form of liability. The contract of sale is between the seller and the individuals purchasing the property. It is recommended that any prospective purchasers discuss the implications of the contract into which they are entering with their solicitor.

## **What are the costs involved if I am a successful applicant?**

You will pay for your share of the purchase price in the usual way (i.e. in the same way as if the property was for sale on the open market), along with any legal costs, survey fees and any other costs associated with the purchase including Stamp Duty (if applicable). The amount of deposit you will be have to pay will depend on your mortgage provider's terms. You may want to seek advice from your solicitor on this matter.

You need to make sure that you have money available to purchase the property. This may mean that you will have to secure a mortgage. It is your responsibility to seek independent financial and legal advice and to arrange a mortgage if necessary. It is strongly advised that you have a mortgage in place prior to the closing date for applications. If you are offered a property and do not have finance in place to proceed the property may be offered to another applicant.

## **Will I need to pay rent on the secured element?**

No, you do not have to pay any rent on the property. You will have to obtain a mortgage for the fixed sale price of the property only.

## **Will I legally own the whole property?**

You will have full title to the property, although Aberdeen City Council will retain security over a proportion of the property through a standard security in the title deeds. Details of the security to be held to Aberdeen City Council will be given in the letter issued with the application form.

## **Am I able to purchase a larger share in the property at a later date?**

You may be able to increase your share in the property. Details of if and when you can increase your share will be given in the letter issued with the application form.

## **Am I able to purchase the property outright?**

You will not be able to buy the property outright. Aberdeen City Council will always hold a security in the property to ensure that the property can remain affordable to future qualifying purchasers.

## **Am I allowed to let the property?**

Purchasers of low cost properties are expected to occupy the property as their only and main home. Permission to let may be given for a short period of time in exceptional circumstances only.

## **What are my responsibilities as an owner?**

When you buy a low cost property you will have full title to the property. As the homeowner you will be responsible for keeping the property in a good state of repair. You will be responsible for all repairs and maintenance costs and insurance as well as keeping up with mortgage repayments and paying your Council Tax. If your property has common or shared areas you will also be responsible for paying any common maintenance or service charges as detailed in the title deeds.

## **What happens if I want to sell the property?**

There are separate guidelines available explaining the procedure should you decide to sell the property. Please see the Resale Information guidance.