



Discounted 'Golden Share' Housing for Sale

Guidance Note for Applicants

Muirwood Gardens, Kinross

What is on offer?

Juniper Residential is constructing 8 two-bedroom cottage flats which are available for sale exclusively in conjunction with Perth & Kinross Council's Golden Share initiative. The properties are due to be complete in Summer 2022.

Name	Description	Market Value	Golden Share Price (20% discount)
Alder	2-bedroom cottage flat (lower)	£210,000	£168,000
Birch	2-bedroom cottage flat (upper)	£220,000	£176,000

In addition, a selected number of plots will be available to purchase at 60% of market value, by way of an additional shared equity loan of up to 20% over and above the discounted sale value. The shared equity loan is provided by Perth & Kinross Council, subject to applicant eligibility and approval.

Who is Eligible for Golden Share?

- The purchaser must be able to demonstrate that the property cannot be purchased at full market value. Either with proceeds of a dependant sale, value of dependant property, savings or the potential to secure mortgage funding.
- An applicant's dependent property must not be more than 20% higher in value than the discounted sales value of the property being purchased (value as determined by a Home Report or surveyor's opinion)
- The purchaser must be able to purchase between 60-80% share.

Restrictions

- All occupants must be over 55.
- The property must be an applicants' only residence.
- The property cannot be sub-let or let in any way.

Circumstances that will be taken into consideration:

- The applicant can demonstrate a 'need to move' – for example:
 - current home is too large and applicant needs to downsize (under occupation)
 - current home isn't suitable to meet applicant's needs any more
 - applicant needs to move closer to family or friends who can provide care, support, or social network
 - applicant has local connection to the area

Application Process

Applicants will be referred to Juniper's nominated broker, Mortgage Advice Bureau (MAB), for qualification. MAB will complete the Golden Share application form on behalf of the applicant(s) and will ask for it to be signed when complete. The application form, along with any supporting evidence, will be submitted to Juniper Residential and Perth & Kinross Council within 2 weeks. The application will be assessed by Perth & Kinross Council and successful applicants nominated to Juniper Residential within 7 days of receipt of the application form.

Will the purchaser own the property outright?

A Golden Share purchaser will own 100% of the property from the day of legal settlement; however, each successful applicant must grant a standard security to the Council over the proportion of the discount applicable to the property.

The standard security will be ranked after any granted by the mortgage provider, if applicable.

What happens if the purchaser wishes to sell their property?

If the Golden Share purchaser wishes to sell the property, the Council must be advised in writing. The Purchaser will then instruct the Valuer to determine the Deemed Open Market Value of the property. The amount the house is sold for will be split in proportion to the stakes held by the owner and the Council. For the avoidance of doubt, the plot will be sold at the discounted Golden Share value (20% less than market value) in perpetuity.

For example:

Example	
Original market value of a new build cottage flat	£210,000
Golden Share Purchase Price	£168,000
Golden Share discount	20%
Council share	£42,000
New sales value	£240,000
Council share	£48,000

- In the event of a sale, the seller will be responsible for meeting the costs of marketing the property and any valuation and legal fees.

Responsibilities

The purchaser will be solely responsible for the upkeep of the property and any repairs and maintenance costs.

Other costs applicants should consider

The applicant will be responsible for arranging their own mortgage, if necessary and ideally in conjunction with MAB, and any arrangement fees and deposits associated with this.

Applicants will need to appoint a solicitor to act on their behalf to complete the work involved in buying a home. Solicitors acting on behalf of the Council and Developer will deal with their respective interests in the transaction.

The applicant will pay for their share of the purchase price in the usual way, along with legal costs, survey fees if applicable and any other costs associated with the purchase, including (if applicable) LBTT.

They will also pay for the documenting and securing of the council's interest including all registration dues.

Golden Share purchasers will be subject to development factoring fees. The sales executive can provide an estimate.

The applicant will need to take the above costs into account when assessing whether they can afford to buy a property. All applicants should seek independent financial and legal advice on the responsibilities that come with being a homeowner, both generally and in relation to any particular property selected.

Please speak to our sales advisor if you would like to make an application.