

The Low Cost Home Ownership Scheme

A Guide for Prospective Purchasers



What is the Low Cost Home Ownership scheme?

The Low Cost Home Ownership scheme provides properties for sale at a discounted price. These properties are a type of affordable housing designed to assist people to purchase a property that they may not otherwise be able to afford. Potential purchasers must meet certain criteria (set out below) in order to be eligible to purchase a property in the scheme.

How much is the discount?

The level of discount varies across the scheme ranging from 17% to 40% of the Open Market Value (OMV). The discounted value is the maximum for which a property can be sold.

How long does the discount apply?

The discount applies for the lifetime of the property meaning that for each subsequent sale the property must be sold with the same percentage discount. For some properties in the scheme, it is possible to buy out the discount, and therefore the property would no longer be part of the Low Cost Home Ownership Scheme.

Who can apply?

Prospective purchasers must meet all the following eligibility criteria:

1. Be considered in need of assistance in purchasing a property

In order to be considered in need of assistance in purchasing a property, a prospective purchaser must be able to afford to buy the property at the discounted price but not at the full market value. A financial assessment of all applicants will be undertaken to determine this taking into account household income, savings, equity from the sale of an existing property and the amount of mortgage a bank or building society will agree to lend the applicant.

2. Have a connection with the borough of Chorley

A connection is defined as any of the following:

- Currently lives or has previously lived in the borough
- Is employed within the borough
- Has family living in the borough

3. Not own any other property

All Low Cost Home Ownership scheme properties must be used as the owner's main home and are not permitted to be rented out. Applicants must not own any other property other than their current home which they must be in the process of selling.

Which properties are included in the scheme?

The scheme currently includes 159 properties throughout the borough, specifically in the following locations:

- Adlington
- Buckshaw Village
- Chorley
- Clayton-le-Woods
- Coppull
- Croston
- Eccleston
- Whittle-le-Woods

How do I find out if a property is for sale?

The properties in the scheme are sold through an estate agent the same as any other property. The sales particulars should clearly state that the house is part of this scheme. The Council do not hold a record of which properties are for sale or a waiting list for people who wish to purchase a property in the scheme.

How do I apply?

Once you have seen a property in which you are interested, please complete the Low Cost Home Ownership application form which is available on the Council's website at chorley.gov.uk/housing and either return by email to planning.policy@chorley.gov.uk or by post to:

Spatial Planning
Chorley Council
Civic Offices
Union Street
Chorley
PR7 1AL

Applications are dealt with in date order. The Council will assess the application and confirm eligibility. More than one buyer may be approved for a property, the final decision to whom the property is sold to lies with the owner.

What if I want to sell?

If you want to sell your property, you must contact the Planning Policy and Housing Officer on 01257 515151 or by email to planning.policy@chorley.gov.uk and request a valuation of the property. We will then arrange to visit your property and advise you of our opinion of the current Open Market Value, and the maximum discounted price. If you disagree with this valuation, a referral can be made to an independent valuer.