

Glossary of Terms

Shared Equity - Shared Equity schemes are where the home buyer shares the capital cost of purchasing a home with an equity partner. A typical example of a Shared Equity mortgage is the governments 'Help to Buy' scheme.

Shared Ownership - Shared Ownership is a type of affordable home ownership when a purchaser takes out a mortgage on a share of a property and pays rent to a landlord on the remaining share. For example, someone might buy a 50 % share in a property, and pay rent to the landlord on the remaining 50 %.

Right to Buy - Right to Buy is a scheme under which longstanding local authority tenants are entitled to purchase their homes at a discounted price

Share to Buy - Share to Buy allows buyers to purchase a share of a home – usually between 25 % and 75 % . Purchasers will pay a mortgage on the share that they own, and a below-market-value rent on the remainder to a housing association, along with any service charge and ground rent

Guarantor - A mortgage guarantor is someone – usually a parent or a relative – who will make a formal commitment to meet the monthly mortgage payments if the borrower fails to so.

CCJ - County Court Judgement

IVA - Individual voluntary arrangement

Defaults - A failure to repay a debt including loans, credit cards etc.

Repossessions - When a home is taken into possession by a lender after the owner defaults on a mortgage or other finance arrangement

Voluntary possessions - In a voluntary repossession you sign over the ownership of your home to your lender. Your lender will then sell your property and will pay off your debt from the proceeds they receive.