

SCOPE

This policy applies to every new Shared Ownership home sold by Places for People and is published to ensure all prospective customers are aware of our policy approach to adverse credit when purchasing a shared ownership home.

We will ensure all prospective customers are aware of the process prior to expending any cost to themselves.

POLICY STATEMENT

Places for People are committed to ensuring that they assist their customers in making long term decisions when considering their homeownership options. Being able to continue to pay your mortgage and rent, as well as other costs associated with housing are vital to ensuring sustainable communities are created. There is also a business requirement for a clearly defined policy to ensure that purchasers can afford their ongoing financial commitment.

Therefore when reviewing each Shared Ownership application, the following criteria for Adverse Credit will not be acceptable to Places for People:

COUNTY COURT JUDGMENTS OR REGISTERED DEFAULTS

None in the last 36 months. Plus, they must be satisfied prior to the mortgage application. They may be acceptable in the following situations:

- All CCJs/defaults were registered more than three years ago and satisfied prior to mortgage application.
- All CCJs/defaults were satisfied more than 12 months prior to application regardless of date of registration.
- The CCJs/defaults in aggregate amount to less than £300, regardless of date of registration, and were satisfied prior to mortgage application.

INDIVIDUAL VOLUNTARY ARRANGEMENT (IVA) AND DISCHARGED BANKRUPTS

IVA/bankrupts who have been discharged over three years ago and who have no residual debt may be accepted subject to Individual Assessment.

MISSED MORTGAGE / RENT ARREARS

If this has happened in the last 12 months, it won't usually be accepted. That said, we may consider the situation through an Individual Assessment.

UNSECURED ARREARS

In this circumstance an individual assessment will be carried out

REPOSSESSIONS

We are unable to accept customers with a history of repossessions.

CRIMINAL ACTIVITY

Purchasers who have, within the last 10 years:

- a) been convicted of a criminal offence, and/or
- b) been held liable for a regulatory breach, and/or
- c) been subject to a director disqualification

relating to any financial matters and/or fraudulent activity in the UK or overseas, will not be accepted.