WELLNESS
MORTGAGE & PROTECTION

Government & Affordable Home Ownership Schemes Guide

A practical guide to the main schemes that may help first-time buyers and eligible tenants

Inside this guide

- The main government-backed and affordable home ownership routes currently available
- Who each scheme may suit and the key eligibility points to think about
- The main pros, limitations, and common misunderstandings
- Where local councils, housing associations, or developers may set extra criteria
- How Wellness Mortgage & Protection Ltd helps you work out what may be suitable

A helpful starting point

There is no single scheme that suits everyone. Some are aimed at first-time buyers with a smaller deposit, some are aimed at eligible tenants, and some depend heavily on local availability.

The right route depends on your income, deposit, credit profile, employment, the type of property you want, and whether the scheme is actually available in your area. Some options are national, while others depend on what local councils, housing associations, or developers have in place.

How we help	• Explain the main routes in plain English so you understand what may be relevant • Check whether a scheme is genuinely suitable rather than just sounding attractive on paper • Work through affordability, deposit, income, and lender criteria • Tell you when a mainstream purchase may be simpler than using a scheme • Source suitable lenders and prepare the application on your behalf where appropriate
Important point	Availability can change by area, by developer, and by housing provider. A scheme existing nationally does not always mean the right properties are available locally.

First Homes

What it is	A discounted market sale scheme in England. Eligible first-time buyers may be able to buy a home for 30% to 50% below market value, with the discount passed on to future eligible buyers. Availability is very limited, depends on your local council, and the government has signalled the scheme may be phased out.
Main points	• You must be a first-time buyer • You normally need a mortgage for at least 50% of the discounted purchase price • Household income is usually capped at £80,000, or £90,000 in London • The first sale price after discount must not exceed £250,000, or £420,000 in Greater London • Local authorities can apply extra local criteria or lower price caps
Who it may suit	Buyers who want full ownership rather than shared ownership, but need help because local values are otherwise too high.
Things to watch	• Availability is limited and often developer-led • The discount stays with the home, so resale rules apply • You still need to pass lender affordability and credit checks

Shared Ownership

What it is	You buy a share of a property and pay rent on the part you do not own. Over time, you may be able to buy more shares, often called staircasing.
How it works	• You usually buy an initial share and take a mortgage on that share • You pay rent to the housing provider on the remaining share • You may also pay service charges and leasehold costs • Eligibility and property availability vary by

	provider and area
Who it may suit	Buyers who cannot currently afford the full open-market purchase price but can afford a share and the ongoing monthly costs.
Things to think about	• Monthly costs are not just the mortgage - rent and service charges matter too • Lease terms, repairing obligations, and staircasing rules need checking carefully • Some lenders are more comfortable than others with certain shared ownership cases

Rent to Buy

What it is	A scheme in England that lets eligible tenants rent at a reduced rent, normally around 20% below market rent, while saving towards a deposit.
Key points	• Generally aimed at first-time buyers, although some returning buyers may qualify after relationship breakdown • You usually need to be in work and able to pay rent while saving • The initial tenancy is usually for up to 2 years, though some landlords may extend it • Outside London this sits under the national Rent to Buy route; London has separate arrangements such as London Living Rent
Who it may suit	Buyers who are close to being mortgage-ready but need time to build a deposit while keeping housing costs lower.
Things to watch	• Not every rented home can later be bought by the tenant • Availability is local and can be limited • You still need to qualify for a mortgage when you are ready to buy

Freedom to Buy (the permanent Mortgage Guarantee Scheme)

What it is	A government-backed guarantee that supports participating lenders offering 91% to 95% loan-to-value mortgages, helping buyers with a 5% deposit.
Important points	• Freedom to Buy replaced the temporary Mortgage Guarantee Scheme as a permanent scheme from July 2025 • It supports first-time buyers and home movers across the UK • It does not remove normal affordability or credit checks

	• Not every lender or product uses the scheme, so we still compare what is actually suitable
Who it may suit	Buyers with a smaller deposit who meet lender criteria and want to buy without waiting years to save a larger deposit.

Right to Buy, Right to Acquire, and Right to Shared Ownership

Right to Buy	Most eligible council tenants in England may be able to buy their council home at a discount if they meet the tenancy and property rules.
Right to Acquire	Some housing association tenants may be able to buy their home at a discount if both they and the property qualify.
Right to Shared Ownership	Some eligible tenants in England may be able to buy a share of their rented home on shared ownership terms, rather than buying it outright.
Who these may suit	Existing tenants who want to turn their current rented home into a route towards ownership, subject to the exact eligibility rules for that property and landlord.
Things to check	• Whether the property itself is eligible • Whether you meet the length-of-tenancy requirements • Whether a mortgage is affordable after any discount is applied • Whether future costs such as service charges, repairs, or lease terms could affect affordability

Lifetime ISA and Help to Buy ISA

Lifetime ISA	A tax-efficient savings route for first-time buyers. You can put in up to £4,000 each year until age 50, and the government adds a 25% bonus. You must open it before age 40. The government plans to replace the Lifetime ISA with a new First Time Buyer ISA from April 2029. Existing Lifetime ISAs can still be used under the current rules, and we will check the latest position with you.
Help to Buy ISA	Closed to new applicants, but existing account

	holders may still use their savings and any government bonus under the scheme rules.
Why this matters	These are not property purchase schemes in the same way as Shared Ownership or Right to Buy, but they can still make a big difference to the deposit side of the journey.

Local councils, housing associations, and local criteria

Some of the most important details are set locally rather than nationally. This is one reason buyers can become confused when they read headlines online and assume a scheme is automatically available to them.

Local authority influence	• Councils may prioritise local connections, key workers, or local income levels • Councils may have lower local price caps for First Homes than the national cap • Some schemes are only available on selected developments
Housing association role	• Housing associations often control availability, eligibility checks, property lists, and application processes for Shared Ownership or Rent to Buy homes • Lease terms, charges, and repair responsibilities can vary between providers
Why advice helps	A scheme may sound suitable in theory, but the real question is whether it is available to you, affordable for you, and acceptable to a lender in practice.

What we would normally check for you

Suitability review	• Whether you are better using a scheme or buying normally • How much deposit you really need • Whether your income and credit profile fit lender criteria • Whether the property type creates any lender restrictions • How monthly costs look once mortgage, rent, and charges are all added together where relevant
Application support	• We carry out the factfind and gather the information needed to source the right lender • We explain the pros and limitations of the realistic options • We prepare and submit the application on your behalf where appropriate • We liaise with lenders and other parties to keep

	things moving

A simple way to think about suitability

Best for a smaller deposit	Freedom to Buy and Lifetime ISA support may help if your main barrier is deposit size.
Best for reduced purchase price	First Homes may help where a discounted purchase is available locally and you meet the eligibility rules.
Best for gradual ownership	Shared Ownership or Right to Shared Ownership may help if full ownership is out of reach right now but part ownership is realistic.
Best for existing eligible tenants	Right to Buy or Right to Acquire may suit tenants who qualify and want to buy the home they already live in.
Best if you need time first	Rent to Buy may be useful if you need time to save while renting below market level.

Important reminders

Availability	Schemes can be limited by region, provider, and property supply.
Affordability	A scheme may help with price or deposit, but the mortgage still has to be affordable.
Costs	Some routes include extra ongoing costs such as rent, service charges, leasehold costs, or repair responsibilities.
Advice point	The right answer is not always the most advertised scheme. Sometimes the simplest route is still the best one.

Regulatory wording

Status	Wellness Mortgage and Protection Ltd is an Appointed Representative of Connect IFA Ltd 441505, which is authorised and regulated by the Financial Conduct Authority.
Warning	Your home may be repossessed if you do not keep up repayments on your mortgage.

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