

Shimmer Relocation Assistance Scheme (SRAS) Product Overview

The SRAS will provide a capped loan to owner occupiers on the Shimmer estate who cannot purchase a replacement local property independently. No interest will be charged on the amount of the loan over its duration, although applicants will be able to make repayments within scheme rules. The loan will be repayable as a proportion of the property's value when the replacement property next changes ownership. The repayment and scheme rules are realised via a legal charge placed on the property.

The loan will complement existing Compensation Code payments, and cover any shortfall between an applicant's Compensation Code payment and the cost of a replacement local equivalent property (subject to certain caveats). Caps will apply to the loan amount and to the equity share in the replacement property, which will be confirmed at the contract award stage.

Valuations of the applicant's current property, and their chosen alternative property, as well as an assessment of whether the alternative property is considered "local" and "comparable" will be carried out by another third party organisation in line with the scheme's criteria.

Conditions

- 1) The SRAS is secured as a legal charge against the replacement home purchased;
- 2) There is no set repayment date, other than at a change of title of ownership for the property.
- 3) The loan is repaid when the home is sold, no longer used for owner-occupier residential purposes, at inheritance or any other change of ownership.
- 4) The title deed must match the new property for which SRAS has been received.
- 5) SRAS recipients are not able to own a share of any other property until the loan is paid back. In cases where SRAS recipients inherit property after accepting a loan from the Government to acquire a comparable property, that property must be disposed of as soon as reasonably possible, or the full loan amount repaid.
- 6) All repayments of the loan made will be calculated as a percentage of the value of the house at the time of repayment. It will be netted off the loan amount as a percentage based on the equivalent proportion share of the initial loan to property ratio.
- 7) If the value of the home goes up, the financial benefit will be shared proportionally – the same will apply to any drop in value.
- 8) SRAS applicants must contribute their full Shimmer home sale price plus home loss payment (10% of their existing home's unblighted market value) towards the cost of the replacement property.
- 9) SRAS recipients will be fully responsible and liable for damage to the property, so must obtain insurance for the full building value.
- 10) Optionally, repayments can be made in instalments of not less than £5,000, unless it is the final repayment.

- 11) There will be no interest payable on the loan.
- 12) The SRAS recipients cannot take a secured loan against their replacement property without the express approval of the DfT or its agents.
- 13) The replacement property must be fit for habitation and in a good standard when purchased.
- 14) The amount an applicant can borrow will be calculated as a percentage of their replacement home's value at the time the loan is taken out.
- 15) The value of the loan will be limited to 20% of the replacement home's value, up to a maximum of £50,000. Any deviation from these caps must be agreed on an individual basis with the DfT and will only be considered in exceptional circumstances.
- 16) The amount the SRAS recipients borrows will be calculated as a percentage of their replacement home's value at the time the loan is taken out.
- 17) A 14-day "cooling" off period will be applied to any contract signed for such a loan, by either party.
- 18) The DfT will fund only one application for the SRAS. A Shimmer home-owner may apply for a SRAS as many times as they wish, but will have to fund all applications after the first independently.
- 19) All improvements, extensions, or substantive alterations to the SRAS financed home must be approved by the DfT or its agents in advance. This is to ensure that any increase in value of your home from your actions are not included when SRAS repayment calculations are made.
- 20) The SRAS works complimentary to standard blight terms, meaning applicants will continue to be entitled to disturbance related costs.

Eligibility criteria

Owner occupiers who wish to apply for a SRAS must;

- 1) Have a qualifying interest in a property on the Shimmer estate i.e. which means that (1) you are an owner-occupier, and (2) you have either a freehold of the property or a lease with over three years unexpired; and you must have been in occupation for at least six months prior to the point of applying; or if the property is empty, you must have been in occupation for at least six months in the last 18.
- 2) Wish to move to a local replacement home.
- 3) Not own any other property in the UK or abroad for the entirety of the loan's duration.
- 4) Be unable to independently afford a suitable, comparable local property.
- 5) Must not have moved to the Shimmer estate on or after 7 July 2016, which is the "no prior knowledge" date set for other HS2 discretionary schemes for this part of Phase 2b which is the date the route through South Yorkshire was first proposed.

Further Information

For further information about the scheme and its eligibility criteria please contact Street UK Homes via one of the following methods:

Call: 0330 024 9843 (option 2)
Email: loan.agreements@street-uk.com
Write to us: Street UK Homes – SRAS Scheme
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