

## **CLEADON PARK REGENERATION**

### **Introduction**

The transformation of Cleadon Park is well underway, with a massive £90 million investment in quality homes to rent and buy, new community and health care facilities and an attractive environment for people to work and live in.

From the very outset views of residents on the estate have helped to shape the plans. The Cleadon Park Community Partnership selected Enterprise 5 Housing Association and Bellway Homes as the preferred regeneration partners and have continued to work together on making residents central to the transformation process.

As a resident living within the designated regeneration area, you are entitled to a range of additional exclusive offers to encourage you to reserve a property as a 'priority' purchases.

All owner- occupiers of Cleadon Park are also offered the following re location package to enable them to move on to a suitable new home.

**Market Value** – for their existing property.

**Home Loss Payment**

A minimum amount of £4000 will be awarded and up to a maximum of £40,000. Homeloss payments will increase to £4,400 as from 1 September 2007.

**Disturbance Allowance**

Payment judged case-by-case and should reflect reasonable costs incurred through moving , such as telephone reconnection.

More information on all of these items is available from;

**Les Barclay- Valuation Officer on  
424 7235 and at the Valuation Surveying  
Team Asset Management & Procurement  
Town Hall and Civic Offices, Westoe  
Road NE33 2RL.**

**The following re-housing options are available for all owner -occupiers affected by the regeneration.**

**Renting**

We can offer you the opportunity to :

- Rent a new home from E5 on Cleadon Park. Or
- Rent a home in South Tyneside from the Council.

**Also we could nominate you to :**

- Rent a home from another Registered Social Landlord elsewhere

Or you will

- Rent a home yourself from a private landlord.

**Right to Buy**

If you bought your current home under the Right to Buy scheme and you become a Council tenant again, you will have a right to buy your chosen council home. You can submit an application immediately, but you must pay rent until the sale goes through. The discount you have already had on your first right to buy will be deducted from any discount on the second right to buy.

**Buying**

Purchase a property on the open market with the assistance of a commercial mortgage or loan if necessary. Should you choose to buy a new Bellway's house on the estate, and you were an existing owner-occupier within the regeneration area before the 15<sup>th</sup> March 2004, you will be eligible to benefit from a discount on the purchase price. We will discuss with you the level of discount available on the various house types, which will be built within the phases of re-development.

### **Shared Ownership**

Purchase  $\frac{1}{2}$  or  $\frac{3}{4}$  of a property, with the assistance of a commercial manager or loan if necessary. You then pay rent to E5 on the remainder with an option to buy the property outright at any time, at current market value.

### **Shared Equity Loan**

This scheme allows you to identify a property available on the open market to buy. This could be a new Bellway home on the estate, but could also be any other property in South Tyneside or elsewhere. You would buy a percentage of the property, with or without the assistance of a commercial mortgage or loan if necessary. The remaining percentage in the cost of the property could be bridged by the use of an equity loan, secured by way of Enterprise 5 having an equity stake in the property.

The equity loan would be repayable when the property is sold in the future. The amount repayable would be the same percentage of the new market value as the original loan was to the market value at the time of purchase.

*For example*

*In 2004, the purchase price of a new property is £70,000. The amount of equity loan used to assist in purchasing this property is £10,500 – this represents 15% of the total property value.*

*In 2015, the property is sold for £90,000. The amount of equity loan to repay at that time would be 15% i.e. £13,500.*

### **Homeswap**

This scheme offers owner-occupiers an empty Council property, which they could 'swap' for their current house. The house you will buy will be at market value and no discounts will apply. You can choose to buy a house at the same price as your current home, or you can choose a more/less expensive home and pay/retain the difference in value. You will stay as homeowners.

Homeowners whose property is included in the regeneration scheme are entitled to priority for re-housing. If you are interested in an offer, we will hold the house for 4 weeks to allow you time to agree a price for your current home. If you cannot agree a price within 4 weeks we may withdraw the offer.

### **Which option should you choose?**

Not all of the re-housing options are suitable for everyone. You need to think about issues such as:

- Do you want to continue to be a homeowner?
- Can you continue to maintain and do the repairs another house?
- How much can you afford to spend?
- Has your income changed substantially since you bought your current home?
- If you become a tenant again, will you need to pay full rent Or will you be able to claim benefits?

If you have a mortgage or loan on your home, you will need to discuss your options with your lender.

Financial advice is available from most high street estate agents and lenders, or Bellway sales centre staff may be able to provide help and advice.

### **Contact Numbers**

South Tyneside Council Housing Office and Project Team	0191 4547159
South Tyneside Council Valuation Section	0191 4247235
Residents Association	0191 4564555
Enterprise 5 Cleadon Park Office	0191 4544711