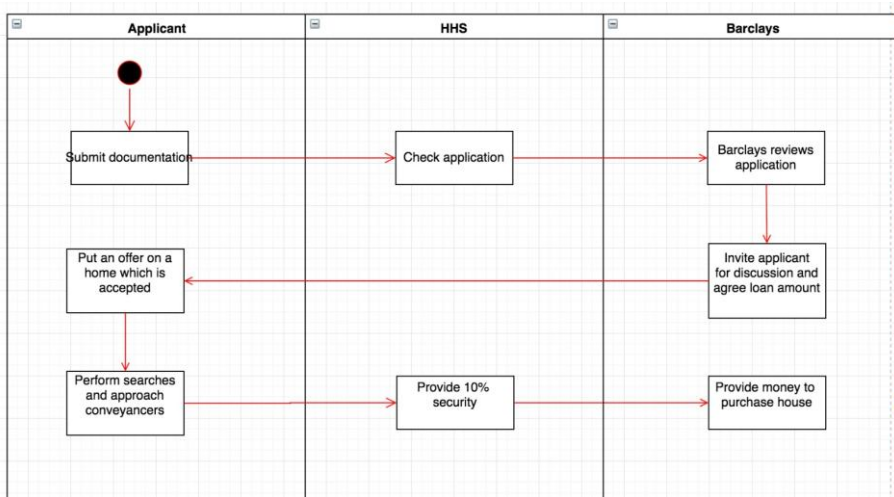




Hujjat Housing scheme rules

Below is a flow diagram highlighting the broad process with further information below



HHS Check Application

The Hujjat Housing Scheme (HHS) team are a subcommittee (buju) of the Executive Committee (EC) of KSIMC of London formed of 5 members. As per the constitution a member of the EC must chair each subcommittee. We will view your application and check if you are eligible to apply under this scheme.

We will check that all your documentation is in order and may ask further questions on a case by case basis to determine your eligibility and may request further evidence. We may also ask what other avenues you have tried in order to purchase a home. This is so that we are in compliance with Charity Commission rules about the categories of people a charity should be helping.

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We will check the following:

- Have you provided all the necessary documentation
- Are you a member of Hujjat
- Do you have 3 years' continuous employment history
- Do you have funds or means to purchase a property without the help of the scheme
- A declaration from you that you are a first time buyer

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You will also get a chance to ask us any questions you might have about the scheme and we can give further facts about the scheme. We cannot give any financial advice as we are not FCA regulated.

If you would like any advice, please seek it from an independent financial adviser.

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Your application will be discussed within the team on a named basis and on a no-name basis outside the team with the EC.

If a member of the team knows the applicant personally, they will need to register a conflict of interest and will not be involved in the decision making process. All approvals must be based on a unanimous agreement of the voting members of the subcommittee.

Once we have accepted your application and the bank have approved your application funds will be allocated to you to be released to Barclays upon exchange of your property.. Currently Barclays are the only provider of this type of mortgage. In the future there may be other providers. If they are deemed suitable, the scheme rules will be amended to incorporate additional potential lenders.

Barclays

Barclays will review your application and may request further information. If they want to proceed, they will invite you to meet their mortgage adviser and you can discuss any aspect of the mortgage with them.

If Barclays are happy to proceed with giving you a mortgage, they will let you know and they will also let the HHS team know.

If Barclays reject your application, there is nothing the HHS team can do.

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Finding a Home

Once you have been approved by Barclays and the HHS team advise you that there are funds to support your mortgage, you should go about finding a home.

See here for an article on how to buy a home: <https://hoa.org.uk/advice/guides-for-homeowners/i-am-buying/the-hoa-step-by-step-guide-to-buying-a-home/>

Once the offer on the house has been placed and accepted, please let the team know and we will make arrangements to provide the 10% security to a Barclays account.

In order for the HHS to release funds to Barclays it is necessary that the applicant(s) agrees to the conditions of the scheme and has had relevant legal and financial advice. They will be required to agree to and sign documents which commit them to sharing information with the HHS team and keeping the team aware as soon as practicably possible any changes in their circumstances. Should their circumstances change, or should it transpire that they have not been truthful, they may be asked to repay any funds committed on their behalf.

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Appeal

If the decision is deemed complex or if the subcommittee cannot come to a unanimous decision they will refer the decision to the EC. In addition if the HHS team decide to reject your application, you can contact the EC directly to ask them to reconsider. To do this, please email ec@hujjat.org with details of your application and why you do not agree with the reason for the rejection . The EC will then ask the HHS team to provide the full details of the case and the EC will decide to uphold the decision of HSS or to overturn it.

The decision of the EC is final. If the EC decide to uphold the decision of HHS, you cannot re-apply to benefit from the scheme for a period of 12 months and you should only apply if your circumstances have materially changed from when your application was rejected.

Grievance

If you have a grievance with the handling of your application, please raise your concerns with the HHS team in the first instance and we will try and reply to your comments.

If you find this unsatisfactory, please escalate your complaint to the EC on ec@hujjat.org explaining the nature of your grievance and your communication with the HHS team to date.

The Scheme rules and criteria are subject to periodic revision. The most up to date version of each will be published and made available on the website.

Hujjat Housing Scheme Criteria

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Barclays Family Springboard Mortgage criteria

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- Property price should be £500,000 or less and must not be a new build
- Applicant(s) must be over 18
- Applicant(s) must provide their credit scores
- Applicant(s) must have been in employment for 3 years. In the case of a joint application, at least one applicant must have 3 years' employment history. Self employment history can also be provided as evidence.

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Hujjat Housing Scheme criteria

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- Applicant(s) must be fully paid up members of Hujjat
- Applicant(s) must be first time buyers with no other property (residential or commercial)
- Applicant(s) must be purchasing a home for their own occupation
- Applicant(s) must be unable to purchase a home without the help of the scheme
- Applicant(s) must declare any other loans taken from Hujjat. This may affect the value of the security deposit and therefore the maximum value of the mortgage
- Trustees of Hujjat and their connected persons are not eligible for the scheme. As defined by the constitution connected persons are any spouse, civil partner, cohabitee, parent, child, brother, sister, grandparent or grandchild of a member of the Executive Committee.

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Charitable objects criteria

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In order to satisfy our charitable objects we must ensure all candidates are suitable for this scheme.

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Candidates may wish to purchase a home for a variety of reasons such as:

- Lack of suitable space in their existing housing
- Lack of quality housing for the candidate's needs
- Security of tenure
- Access to work
- Reduce housing costs with age

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We must be satisfied that the scheme is operating so as to relieve hardship and poverty. Accordingly, we must judge candidates by these criteria on a case by case basis and keep records of our decision making process against these criteria

Hujjat Housing Scheme hardship criteria

• If you meet one or more of the following criteria and funds required from the scheme fall below £100,000, your application will be prioritised:

- 1 You are homeless or threatened with homelessness
- 2 You current housing is overcrowded
- 3 You need to move for medical or welfare reasons
- 4 You or your family need to be near specialist educational or medical facilities

Additional notes:

- If you are renting, your mortgage payments may be higher than your rental payments
- You will need to pay for all legal and admin fees as required for the purpose of the mortgage. Eg solicitors fees, surveys etc
- As a first time buyer, you will need to pay stamp duty. The first £300000 is tax free. Above that, stamp duty is charged at 5%. Eg on a £350000 property purchase, stamp duty liability is £2500.
- You must take professional legal advice and advice from a mortgage advisor.

Documents required

- 3 months payslips
- Last P60
- Last 3 months bank statements
- Proof of address
- Passport copy
- Statement of assets and liabilities
- Written confirmation from admin office of your Hujjat membership number which also states that membership is fully paid
- Signed paperwork of all relevant documentation

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