Sovereign Network Group

Shared Ownership: Surplus income policy – South & West

September 2026

Shared Ownership - Surplus income policy

SNG follow the current Homes England guidelines to ensure our applicants are able to afford their purchase without overstretching their budget.

To do this, we work with a panel of expert Shared Ownership mortgage brokers who financially assess each applicant prior to them reserving a Shared Ownership home.

Our minimum required surplus income is 10%

This is the minimum amount of gross income you must retain after all your financial commitments.

The following information is used to calculate your surplus income:

A. Gross Income

- Including guaranteed overtime.

B. Gross deductions

- Income tax.
- National insurance.
- Student loan etc.

C. Known commitments

- Credit cards.
- Loans.
- Childcare.

D. Housing costs

- Stress tested rental figure.
- Service charge.

E. Net income

This is your remaining income after gross deductions (B), known commitments (C) and housing costs (D) have been deducted from your gross income (A).

F. Mortgage payment

The mortgage broker will calculate an indicative mortgage payment. In most cases the mortgage payment should not exceed 30% of your net income (E).

G. Essential costs

- Fuel/travel.
- Food.
- Utility bills.
- Council tax.
- Insurances etc.

H. Surplus Income

This is the amount remaining once your mortgage payment (F) and essential costs (G) have been deducted from your net income (E). This figure should be at least 10% of your gross income (A).

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Contact us

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The images used in this policy are for illustration purposes only.

Information correct at time of print - September 2026.

Sovereign Network Group is charitable.