



**CREST
NICHOLSON**

FOR FIRST TIME BUYERS HELP TO BUY: EQUITY LOAN

Helping you make a more affordable
move onto the property ladder.

[CRESTNICHOLSON.COM/HELPTOBUY](https://crestnicholson.com/help_tobuy)





YOU COULD BUY YOUR FIRST HOME WITH A 5% DEPOSIT.

With the Government backed Help to Buy: Equity Loan scheme, buying your own home could become a reality sooner than you expected.

If you are looking to purchase your first home, the Help to Buy: Equity Loan scheme could be for you. You contribute a 5% deposit and secure a conventional

mortgage for just 75% of the home's purchase price. The remaining 20% is provided by the Government as an equity loan.

Requiring a low deposit and paying no interest on the equity loan for the first five years could help you to get onto the property ladder and own a brand new Crest Nicholson home.



"By using the Help to Buy: Equity Loan scheme, I only needed a 5 per cent deposit and a 75 per cent mortgage, as you get an interest free loan from the Government for the remaining 20 per cent. It stays interest free for five years, so you get plenty of opportunity to save and repay the loan. I've found that owning my home is far more affordable than I thought, and in fact my mortgage repayments aren't dissimilar to what I would be paying in rent on a two bed apartment."

Help to Buy: Equity Loan helped Russel Norton purchase a 2 bedroom home at Kilnwood Vale in West Sussex.

Terms and Conditions Apply. For details of eligibility and criteria, see Homes England's Homebuyers' guide to Help to Buy: Equity Loan (2021-23) available to download at crestnicholson.com/helptobuy.

HELP TO BUY: EQUITY LOAN EXPLAINED

The equity loan is a loan from the Government that you put towards the cost of your new home. It could help you to purchase your own home sooner than you expected.

HOW DOES IT WORK?

1

You could buy with a low deposit – just 5% of the purchase price

5%

2

Arrange a conventional mortgage of 75% of the purchase price

75%

3

The remaining 20% is an equity loan provided by the Government

20%

TYPICAL EXAMPLE

Your new Crest Nicholson home priced at £300,000

5% deposit	£15,000
75% mortgage	£225,000
20% equity loan	£60,000
Total	£300,000

- There's no interest to pay on the loan amount for the first five years
- Maximum house purchase prices apply depending on the location of the home
- Only available on brand new homes
- Reserve your new Crest Nicholson home for only £500. This fee is fully refundable if you're not eligible for an equity loan or you do not exchange contracts.
- Help to Buy: Equity Loan is also available in London. Please speak to a Sales Executive for further details.

Help to Buy: Equity Loan property price caps

The amount you can spend on your home with Help to Buy depends on where it is located.

East Midlands	£261,900
West Midlands	£255,600
East of England	£407,400
London	£600,000
South East	£437,600
South West	£349,000



**CREST
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Take a look at our range of developments now available with Help to Buy, you could be buying your first home sooner than you expected.

crestnicholson.com/helptobuy

HELP TO BUY:

Your questions ANSWERED

Am I eligible?

The Help to Buy: Equity Loan is available to first time buyers of new build houses and apartments.

This means that you and anyone you're buying a home with must:

- Not own a home or residential land now or in the past in the UK or abroad
- Not have had any form of sharia mortgage finance

All purchasers will be asked to confirm this by signing a legal declaration.

Maximum purchase prices apply, depending on the location of the home you are buying.

You must continue to live in your Help to Buy home.

How much deposit will I need?

You'll need a minimum of 5% of the purchase price.

What is the minimum contribution I can make?

You must be able to provide a 5% minimum deposit of the purchase price of your new home and fund up to 75% of your selected property through a conventional mortgage.

If you have a large deposit and can arrange a mortgage without the Help to Buy: Equity Loan, consider if an equity loan is right for you. If you wish, we can suggest independent advisors to help identify your exact financial requirements.

Is there any interest on the equity loan?

You don't need to pay any interest on the equity loan for the first five years. From year six, interest of 1.75% of the equity loan is payable in monthly instalments. This will rise each year in April, by the Consumer Price Index (CPI) plus 2%. There is also a small monthly management fee, paid by direct debit of £1 per month, from the commencement of the equity loan until it is repaid.

When do I repay the outstanding loan amount?

You must repay the equity loan either when you pay off your repayment mortgage, sell your home, or reach the end of your mortgage term, normally 25 years.

Can I repay the equity loan or make part repayments towards the balance?

Yes, you can pay off your equity loan in full any time or make part repayments. Your first part payment will need to be at least 10% of what your home is worth at that time.

What happens if property prices rise or fall?

When you repay your equity loan, the amount you pay back is worked out as a percentage of the market value at the time you choose to repay. If the market value falls or rises, so does the amount you owe on your equity loan.

Are there any restrictions on which mortgage provider I can use?

Your first charge mortgage must be from a qualifying lender and be a repayment mortgage. Interest-only mortgages are not permitted.