

South West Homes

FirstBuy



HomeBuy
UK Government

FirstBuy gives you a chance to buy a brand new home with the help of an equity loan of up to 20% of the full purchase price.



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SOUTH WEST
HOMES



www.southwesthomes.org.uk

How does it work?

The FirstBuy equity loan will be interest free for the first 5 years with a charge of 1.75% per annum on the outstanding loan, payable from year six.

To buy with FirstBuy you will need:

- Savings or access to a deposit (a minimum of 5% of the value of the share you are buying)
- A mortgage to meet the minimum of 80% of the value of the purchase price of the property

For example, if you purchase a property at a purchase price of £150,000, with a 20% equity loan:

Your deposit of 5% would be £6,000.

Your equity loan would be £30,000

Your mortgage would be for £114,000

In year 6 you would pay £525.00 per annum (£43.75 per month).

What are my options after buying through FirstBuy?

After 12 months of ownership, you can choose to make part repayments (called staircasing) of the FirstBuy equity loan at the current market value at the time you wish to staircase. The minimum additional repayment is 10% of the total market value. You have the option to make repayments until at a later date you own 100% of the property.

If you sell your home and the FirstBuy equity loan is unpaid, based on the above example you would repay 20% of the full market value when the property is sold.

Who is eligible for FirstBuy?

To qualify, you must meet the following criteria:

- Your household income is less than £60,000 a year.
- You are a first-time buyer

Priority will be given to:

- Social tenants – council/housing association tenants and serving Armed Forces personnel
- Other locally defined priority groups and first time buyers.

Where can I find FirstBuy properties for sale?

You will find details of developers and sites offering homes under this scheme on our website. You can also contact our customer services team for more information.
www.southwesthomes.org.uk

How can I apply?

You can complete an application on our website. Your application will be assessed and you will be advised if you are eligible for FirstBuy and given an indication of your affordability level. You will then be advised to seek free financial advice from an independent financial advisor (IFA). Details of IFAs are on our website.

For further help

If you would like further information please contact our customer service team on 0300 100 0021 or email us at info@southwesthomes.org.uk

If you or someone you know, would like this FirstBuy leaflet on CD or audio tape, in large print, in Braille, or translated into another language, please contact our FirstBuy Team on 0300 100 0021 or email info@southwesthomes.org.uk

