

Help to Buy: Equity Loan

Giving first time buyers a new way to a new Lovell home

As an eligible first time buyer, Help to Buy: Equity Loan offers you a loan of up to 20% of the value of a brand new Lovell home*. Interest will only be payable on the loan after five years.

All you need is a 5% deposit and a mortgage from a bank or building society for up to 75% of the property value - please check with your mortgage provider for availability, as each has their own criteria when using the scheme. The equity loan can then be repaid at any time within 25 years or when you sell your home.

The scheme is available on selected Lovell homes in England and regional price caps apply. Please see the following table for full regional information:

Region	Price cap for properties eligible for Help to Buy: Equity Loan scheme from April 2021 to March 2023
North East	£186,100
North West	£224,400
Yorkshire and The Humber	£228,100
East Midlands	£261,900
West Midlands	£255,600
East of England	£407,400
London	£600,000
South East	£437,600
South West	£349,000

The caps were set at 1.5 times the average regional first time buyer price as forecast in 2018.

Source: HM Treasury analysis

*Homebuyers who meet affordability and lending terms can borrow an equity loan of up to 20% (40% in London) of the sale price of a new build home. You must fund at least 80% (60% in London) of the sale price with a mortgage and at least a 5% deposit. Pay no interest on the loan for the first 5 years. Interest fees start at 1.75% and rise each year in April by the Regional Price Index (RPI) plus 1%. You pay a monthly management fee of £1 for the life of the loan. Homes England, the lender, secures the equity loan as a second charge on your Help to Buy home. You must repay the equity loan when you sell the home or pay off your mortgage. You can repay all or part (10% to 30%) of the loan any time before then. An independent financial adviser and a solicitor may be able to help you decide if Help to Buy is right for you. Scheme is available subject to terms and conditions, but is not available to investors or second time buyers. Lovell cannot advise you on a mortgage. Full details available on request.

YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE, EQUITY LOAN OR OTHER LOANS SECURED AGAINST IT.



**LOVELL
HOMES**

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