



# LET'S GET MOVING

Your guide to  
Help to Buy





# Help to Buy East and South East

We operate in the following areas:



1. Norfolk
2. Cambridgeshire
3. Suffolk
4. Bedfordshire
5. Buckinghamshire
6. Hertfordshire
7. Essex
8. Surrey
9. Kent
10. West Sussex
11. East Sussex



## What is Help to Buy?

If you want to purchase a home of your own, but can't afford to buy on the open market. Help to Buy could help you onto the property ladder.

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Help to Buy Agents are housing associations, appointed by the Homes & Communities Agency as a one stop shop and point of contact for people looking for affordable homes to buy or rent in their area, bpha is the Governments Help to Buy Agent for the East and South East of England.



### Help to Buy Equity Loan

- ✓ The scheme is open to both first time buyers and existing home owners
- ✓ There is no maximum household income
- ✓ You will need a minimum deposit of 5% of the full asking price, and you can purchase a property up to £600,000
- ✓ You will need to be able to take out a mortgage for 75% of the value of the property
- ✓ You must not have any outstanding credit issues

### Help to Buy Shared Ownership, new and resales (existing properties)

- ✓ Your annual household income can be no more than £80,000
- ✓ You will only need a deposit on the share you are buying
- ✓ You should be unable to purchase a home suitable for your needs without assistance
- ✓ You cannot be a current home owner (or be named on the deeds of another property) either in the UK or abroad
- ✓ You must have applied and been accepted by Help to Buy East and South East, you can apply online at [www.help2buyese.org.uk/login](http://www.help2buyese.org.uk/login)
- ✓ You must not have any outstanding credit issues

### Help to Buy OPSO (Older Persons Shared Ownership)

- ✓ All occupants must be aged over 55
- ✓ Your annual household income can be no more than £80,000
- ✓ You should be unable to purchase a home suitable for your needs without assistance
- ✓ If you are a current home owner you will need to sell the property before buying through OPSO
- ✓ You must have applied and been accepted by Help to Buy East and South East, You can apply online at [www.help2buyese.org.uk/login](http://www.help2buyese.org.uk/login)
- ✓ You must not have any outstanding credit issues



## HOLD (Home Ownership for people with Long-Term Disabilities)

- ✓ You must have a long-term disability to apply for this scheme
- ✓ Your annual household income can be no more than £80,000
- ✓ You should be unable to purchase a home suitable for your needs without assistance
- ✓ You cannot be a current home owner (or be named on the deeds of another property) either in the UK or abroad
- ✓ You must have applied and been accepted by Help to Buy East and South East, You can apply online at [www.helpbuyese.org.uk/login](http://www.helpbuyese.org.uk/login)
- ✓ You must not have any outstanding credit issues

## Rent to Buy

- ✓ Your annual household income can be no more than £80,000
- ✓ You should be unable to purchase a home suitable for your needs without assistance
- ✓ You cannot be a current home owner (or be named on the deeds of another property) either in the UK or abroad
- ✓ You must have applied and been accepted by Help to Buy East and South East, You can apply online at [www.helpbuyese.org.uk/login](http://www.helpbuyese.org.uk/login)
- ✓ You must not have any outstanding credit issues

## Intermediate Rent

- ✓ Your annual household income can be no more than £80,000
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- ✓ You cannot be a current home owner (or be named on the deeds of another property) either in the UK or abroad.
- ✓ You must have applied and been accepted by Help to Buy East and South East, You can apply online at [www.helpbuyese.org.uk/login](http://www.helpbuyese.org.uk/login)
- ✓ You must not have any outstanding credit issues

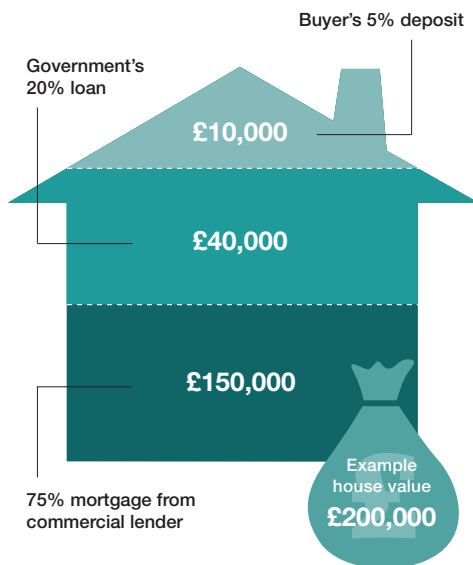


With all housing options you should take financial advice before committing into a purchase/rental agreement, to ensure the product is affordable for you and sustainable in the long term. A poor credit history could hinder your chances of getting onto the property ladder with Help to Buy.

Further information on all the schemes can be found by visiting [www.helpbuyese.org.uk](http://www.helpbuyese.org.uk)

### Help to Buy Equity Loans

This option offers you the chance to purchase a newbuild home from house builders offering the Help to Buy Equity Loan scheme and is open to both first time buyers and existing homeowners. There is no income cap and you can buy a newbuild property with a value of up to £600,000. You will require a minimum deposit of 5%, the Government will lend you up to 20% of the full purchase price and you will need to be able to take out a mortgage for 75% of the value of the property. You won't have to pay any interest charges on this loan for the first five years and you own 100% of your own home from the start. From year six, you will pay a fee of 1.75%, rising annually in line with the Retail Price Index (RPI) + 1%. You must pay off the loan when you sell or within 25 years.



### Help to Buy Shared Ownership on newbuilds

If you can't quite afford the mortgage on 100% of a property, Help to Buy Shared Ownership offers you the chance to buy a share of your home through a mortgage or savings (between 25% and 75% of the home's value) and pay rent on the remaining share. You only need a deposit on the share you are buying. You will be expected to maximise the share you purchase in line with your affordability. The combined monthly cost of the mortgage and rent will normally be substantially less than if you were purchasing the property outright. In the future you could buy further shares when you can afford to (with most properties you are eventually able to own the property outright, although there are some restrictions on rural sites) or sell your share for its value at the time.




### Help to Buy Shared Ownership on Resales (existing properties)

Resales are homes offered for sale by existing shared owners, where you can purchase the share being offered for sale (or more) as you will be expected to maximise the share you purchase in line with affordability, and then own the home on a Shared Ownership basis. As with newbuild Shared Ownership a low rent is payable on the remaining share and you only need a deposit on the share you are buying. Resale properties vary in age, size, property type and location. In the future you could buy further shares when you can afford to (with most properties you are eventually able to own the property outright, although there are some restrictions on rural sites) or sell your share for its value at the time.



### Help to Buy OPSO (Older Persons Shared Ownership)

This scheme is available to the over 55's. In the same way as the standard Shared Ownership, you buy an initial share that you can afford, helping you get into home ownership in manageable stages. However, the main difference is the maximum share you can own through OPSO is 75%. The housing association will offer initial shares of between 25% – 75% of the full purchase price. You pay a subsidised rent on the remaining share that the housing association still own. In the



### Intermediate Rent

This is a great option if you are not looking to buy a home just yet, but want to be able to start saving for a deposit to buy in the future. The housing association will offer homes to rent for around 20% less than the typical open market rent values. An Assured Shorthold Tenancy with an initial commitment of six months is normally offered, giving you the opportunity to save money for a future deposit. Intermediate Rent properties are not available to purchase in the future, they are for rent only.

future you can simply sell your share for its value at the time or alternatively you can purchase further shares in your home. If you choose to buy the maximum 75%, you will pay no rent on the remaining 25%. Some OPSO developments offer sheltered Shared Ownership schemes (sometimes known as Extra Care or Key Care) which are designed to provide residents with the ability to live independently in self-contained, modern homes, but with access to care and support services tailored to individual needs.



### **HOLD (Home ownership for people with Long-Term Disabilities)**

This scheme gives people with long-term disabilities an opportunity to purchase a Shared Ownership home and live independently. In the same way as standard Shared Ownership, you buy an initial share that you can afford, helping you get into home ownership in manageable stages. If there are no suitable Shared Ownership properties available, a purchase on the open market may be considered by a participating housing association in that local area. Please be aware that HOLD may not be available through all housing associations and participation of providers to make HOLD available is at their discretion.

If there are no suitable Help to Buy Shared Ownership properties in the area you need to live, you may wish to contact Advance –

[www.advanceuk.org](http://www.advanceuk.org) or telephone 0333 012 4307. Advance specialise in Shared Ownership for people with long-term disabilities. Alternatively you may wish to speak to your local authority for more housing options.

### **Rent to Buy**

This is a great option if you are unable to purchase a home at the moment due to not having enough money saved up for a deposit. The housing association will offer homes to rent for around 20% less than the typical open market rent values, with the option to purchase shares in your rented home in the future using the Shared Ownership scheme. An Assured Shorthold Tenancy with an initial commitment of six months is normally offered, giving you the opportunity to save money for a future deposit.





**1** Decide on the Help to Buy option suitable for you.

**2**

If you want to access any of the rented, Shared Ownership, HOLD or OPSO options then apply online at [www.helptobuyese.org.uk](http://www.helptobuyese.org.uk). We will assess your Help to Buy application and notify you of your eligibility status within four working days. If you're only interested in the Help to Buy Equity Loan option, then you do not need to apply. Instead, find a house builder offering the scheme, and they will help you complete the necessary forms.



All the information you require can be found at [www.helptobuyese.org.uk](http://www.helptobuyese.org.uk)

**3** You can search for a Help to Buy home by using the property search option at [www.helptobuyese.org.uk](http://www.helptobuyese.org.uk) Once you have found one you like, please register your interest or use the contact details supplied within the property information to find out more.

When you find a home that is right for you, you can make a reservation. The housing provider will guide you through the sales process. You will need to receive independent financial advice and also appoint a solicitor – ask the housing provider to point you in the right direction.

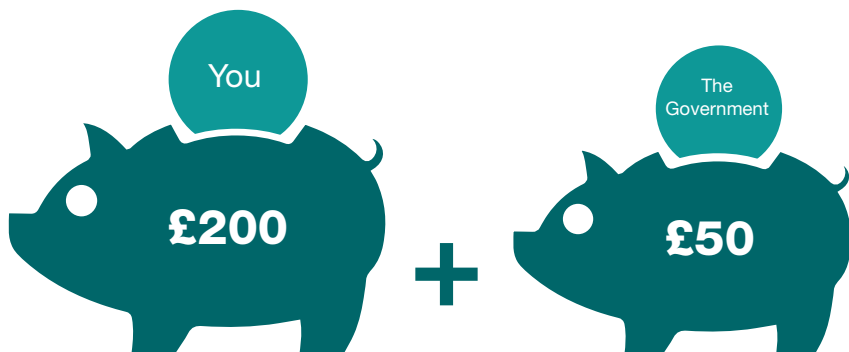
**4**



**5**

Once all the legal requirements are complete, purchase contracts can be exchanged. A date is then set for you to complete on the purchase of your new home, collect the keys and move in!





## Help to Buy: ISA

If you are saving to buy your first home, save money into a Help to Buy: ISA and the government will boost your savings by 25%. Simply put, for each £200 you save, the Government contributes £50. The Government contribution will be capped at £3,000.

You can use the Help to Buy: ISA with other government schemes, including the Help to Buy Equity Loan scheme and Shared Ownership.

## How it works

Please note that the Help to Buy: ISA is not administered by Help to Buy East and South East, and you should contact a participating provider for more information.

For further information please visit [www.help2obuy.gov.uk/help-to-buy-isa/how-does-it-work](http://www.help2obuy.gov.uk/help-to-buy-isa/how-does-it-work)

The information was correct as of January 17 2017

## Who is eligible

To qualify for a Help to Buy: ISA you must:

- ✓ Be 16 or over
- ✓ Have a valid National Insurance number
- ✓ Be a UK resident
- ✓ Be a first time buyer, and not own a property anywhere in the world
- ✓ Not have another active cash ISA in the same tax year

To qualify for the Government bonus, the property you are buying must:

- ✓ Be in the UK
- ✓ Cost up to £250,000 (outside of London)
- ✓ Not be a second home or a buy-to-let property
- ✓ Not be rented out after you buy it
- ✓ Be purchased with a mortgage

### What if I am a current home owner?

If you already own a home, you are not eligible for Shared Ownership, Rent to Buy or Intermediate Rent schemes, unless you have sold your home prior to applying. In exceptional cases, some home owners may be accepted. These cases are assessed on their individual merits by the Help to Buy agent and housing provider. If applying for the Equity Loan scheme, or the Older Persons Shared Ownership scheme, you will need to have a sale in place before you can make a reservation.

### Can I buy additional shares in the future?

If you purchase a Shared Ownership property, you can increase your share at a later stage if you choose to. This is known as 'staircasing'. With most properties you are eventually able to own the property outright if you wish to, although there are some staircasing restrictions on rural schemes. Please speak to the relevant provider for more details. If you purchase under the Help to Buy Equity Loan scheme, you can redeem part, or all, of your 20% loan at a later stage. The Equity Loan must be redeemed in full within 25 years or when the property is sold.

### What happens if I want to sell my property in the future?

If you purchased a Shared Ownership property, you simply need to contact the housing provider that dealt with the original purchase. If you purchased a home using the Help to Buy Equity Loan, you can get advice about selling and redeeming your Equity Loan please go to [www.myfirsthome.org.uk](http://www.myfirsthome.org.uk)

### Can I rent out my property?

No, you must live in the home that you purchased or rent through Shared Ownership, Rent to Buy or Intermediate Rent schemes. You cannot use



the scheme for a Buy-to-Let investment. Subletting of Shared Ownership homes is not permitted unless you have purchased all of the remaining shares and you own the property outright. If you have purchased a home using the Help to Buy Equity Loan scheme, you would have to repay the Equity Loan before you would be allowed to sublet.

In exceptional circumstances, i.e. if you are a serving member of the Armed Forces away on a tour of duty, subletting may be considered with written permission from your housing association, if the home was purchased through the Equity Loan scheme you will need approval from the mortgage lender and the post sales team, further information is available at [www.myfirsthome.org.uk](http://www.myfirsthome.org.uk)

### If I am a shared owner, can I buy again?

Yes, there are no restrictions which prevent existing shared owners from applying for and moving into another Shared Ownership property. However, you must continue to meet the general eligibility criteria of £80,000 annual income per household and be otherwise unable to afford to purchase unassisted. Existing shared owners are also required to have disposed of their existing Shared Ownership home at the point of purchase.

### Can I still get a mortgage if I have county court judgements (CCJ's against me)?

Yes but these are few and far between and may involve paying a higher interest. It really depends when the CCJ is registered and how much it is for. In general if registered in the last 3 years then this will prove difficult.

### I don't want to live in the East and South east region, who should I contact?

Contact details for the Help to Buy agents covering areas outside of the East and South East region can be found at [www.helptobuy.org.uk](http://www.helptobuy.org.uk)



Registered Office bpha Limited  
Bedford Heights, Manton Lane, Bedford MK41 7BJ  
Tel: 03333 214044 [helptobuyeastandsoutheast@bpha.org.uk](mailto:helptobuyeastandsoutheast@bpha.org.uk)  
[www.helptobuyese.org.uk](http://www.helptobuyese.org.uk)