

# HELP TO BUY WITH CYDEN HOMES

## WHAT IS HELP TO BUY?

It is a Government-supported initiative designed to assist buyers with limited deposits to either get onto the housing ladder or to move up it. It is NOT limited to First Time Buyers.

## WHAT ARE THE QUALIFYING CRITERIA?

- Cannot be used to purchase and let out a property (see Armed Forces exemption)
- Cannot have an interest in another property that is not being sold
- You must have at least a 5% deposit to put into the purchase
- You must pass a Government affordability test

## HOW IS THE ASSISTANCE PROVIDED?

The Government (through the HCA) will offer an equity loan of up to 20% of the purchase price of a Cyden home, subject to qualification. This Government loan is for up to 25 years and will be interest free for the first 5 years although there is a £1 administration fee per month (payable by Direct Debit) for the first 5 years. At year 6, interest becomes payable, on the equity loan only, at 1.75% rising by RPI plus 1% each year thereafter.

**Example** – Your 5% deposit plus a Government 20% loan plus a 75% mortgage = 100% your Cyden home

## HOW DO I PAY BACK THE LOAN?

You only need pay back the loan when you come to sell the property, which has to be within 25 years of buying it. If you received a 20% loan when you bought the house, then you have to repay 20% of its market value when you come to sell it, whether the house has increased or decreased in value. You are also able to repay all or part of the loan whilst you are living in the home, either through your own funds or by re-mortgaging the property. You should discuss your options with your independent Financial Advisor and your solicitor.

**Lenders and HCA conditions apply – please refer to [homesandcommunities.co.uk/help-to-buy](http://homesandcommunities.co.uk/help-to-buy)**

