Teachers Building Society

Help to Buy Equity Loan Declaration

Client/Intermediary Details

Client Name(s)	
Intermediary Name	
Intermediary Company	

Important considerations that your client must be aware of:

- The Help to Buy Equity Loan will be repayable in either 25 years, when the property is sold or if the first charge mortgage is settled, whichever comes first;
- The mortgage must remain on a repayment basis only;
- The term of the mortgage cannot be increased whilst the equity loan is outstanding;
- The property must be for the applicant's residential use only and cannot be let out;
- There is interest chargeable on the Equity Loan and a management fee. This does not have to be paid during the first 5 years. After the 5th anniversary, your client will be charged interest and fees on a monthly basis and will be reviewed annually. It is important that your client bears this in mind when considering budgeting;
- The value of the property can go up or down. The amount of the Equity loan that will be payable, will depend on the market value of the property at the time it is repaid;
- Your client can start to pay back their equity loan at any time. This is referred to as 'staircasing'. The minimum amount they can staircase at any time is 10% of the total market value of the property at the time of staircasing;
- If your client wishes to borrow any further funds in the future, they will need to gain permission from the Home and Communities Agency (HCA). Additional borrowing will only usually be granted to repay the equity loan;
- In the case of remortgages, the equity loan administered by the HCA will remain in place as a second charge. However, the HCA will need to give permission to postpone the charge allowing Teachers Building Society to take first charge on the property, replacing the current lender;
- Please ensure your client is aware of the importance of reading the Customer Information Pack provided to them by the HCA and to contact them if they have any questions about the Equity Loan;
- It is important that your client gives consideration as to how they plan to repay the equity loan in the future.

For Remortgage Applications Only

Equity loan end date	D D M M Y Y Y Y
If the equity loan has less than 15 years to run, please provide details of your client's plan to repay the equity loan	

Declaration

I confirm that the Help to Buy equity loan scheme important consideration points have been fully explained to my client.

Intermediary Signature

Date D D M M Y Y Y Y

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