

**Exclusively for teachers.....**

## **No Deposit Required with HomeBuy Direct**

Teachers Building Society has been helping teachers onto the property ladder for over forty years. We understand that providing a sizeable deposit is a barrier for many people in education who want to own their own home. That's why we welcome applications from teachers purchasing a property through the Government's **HomeBuy Direct** scheme.

### **How does it work?**

HomeBuy Direct allows you to buy a newly built home on a designated development with the assistance of two equity loans. One loan is from the Government, the other loan is from the Developer.

These two loans combined can cover up to 30% of the total purchase price, and Teachers Building Society can provide a mortgage for the remaining 70% of the purchase price, subject to approval. Repayments on the mortgage will be made in the usual way, with nothing payable on the amount that the Government and Developer contributed for the first five years.

After these five years, you will start to pay a small annual fee on the two equity loans.

### **Who is eligible?**

Eligibility is based on a household income of £60,000 or less and applicants will also be subject to an affordability check to assess the size of equity share they are able to afford and sustain.

### **What sort of mortgage?**

Teachers Building Society is offering the choice of either a fixed or variable rate mortgage, whichever is preferable. We will not apply a specific rate for the Homebuy Direct scheme as you will benefit from the rates available from our current range of mortgage products. If the maximum equity loan amount of 30% of the purchase price is achieved, you will not be expected to provide a deposit in order to qualify for a mortgage for the remaining 70% of the purchase price.

### **What about selling?**

If you purchase a property via the Homebuy Direct scheme and later need to sell it to relocate or upsize, the home can be sold on the open market without restriction after 12 months. Upon completion, the equity loan would be repaid by way of a share of the proceeds. If the value of the property has increased by the time of sale, you, the developer and Government will all share in this increase. If the value of the property has gone down, the Government and developer will only share the sale proceeds left over once the mortgage has been repaid. This percentage contribution must be repaid when the property is sold or after 25 years (whichever is earlier).

<b>Example</b>		
Open market price of new home	£200,000	100%
HomeBuy Direct purchaser affordable mortgage through Teachers Building Society	£140,000	70%
Agency and housebuilder assistance 30% equity loan (via 2 equity loans at 15% each)	£60,000	30%

Our experienced and friendly team of mortgage consultants are ready to discuss your circumstances and assess affordability. We treat our customers as individuals, assess each case on its own merits and have a long history of dealing with such Government schemes.

Call **0800 378 669** to find out more.

Your home may be repossessed if you do not keep up repayments on your mortgage.