

EVERYTHING YOU
NEED TO KNOW ABOUT
FIRSTBUY



Your fast track to your first home



barratthomes.co.uk



BARRATT
HOMES
find the one

BUYING YOUR FIRST HOME JUST GOT EASIER



Moving into your own home for the first time is one of the most exciting things you'll ever do. In the current economic climate, some would-be first-time buyers are finding it all but impossible.

So if you're hoping to get on the property ladder, but wondering how on earth you'll manage to get that kind of money together, we've got some good news for you. FirstBuy is here – and could be just what you're looking for.

Read on to find out how FirstBuy could help you move in to your perfect home, sooner rather than later.

FirstBuy at a glance

- Find an approved FirstBuy property on our website
- Make sure you can raise a deposit of 4% of the purchase price
- We'll lend you 10% and the Government will lend you 10%
- You'll need to arrange a mortgage for the remaining amount
- We'll be here to help you every step of the way

UNLOCK YOUR FIRST HOME WITH A 4% DEPOSIT



Here at Barratt Homes, we're always looking for new ways to help people get a place of their own. So we've joined forces with the Government to offer you FirstBuy, a shared equity scheme for first-time buyers.

Together, we can offer you a loan of up to 20% of the value of the property you're hoping to buy, which you can put towards your deposit. That means you'll only need to find 4% up front yourself and take out a mortgage to cover the rest. And shared equity doesn't mean shared ownership – you'll still own 100% of your home. You just have to pay the loan back within 25 years.

Here's how it all adds up *

Purchase price	£200,000
Loan from Barratt Homes	£20,000
Loan from the Government	£20,000
Your deposit	£8,000
Your mortgage	£152,000

*This is based on a purchase price of £200,000

REPAY YOUR LOAN WHEN YOU'RE READY



We know that the costs involved in kitting out your first home can really creep up. That's why there's no pressure from us to repay your FirstBuy loan – and no interest to pay in the early, more expensive years.

You can choose to repay some or all of your loan in instalments, as and when you have the money to do so. The only condition is that each instalment has to be at least 10% of the value of your home at that time.

Alternatively, you can repay it with a lump sum when you sell your house. This way, you'll simply pay back the same percentage of the resale value that you originally borrowed. So, if you buy a home for £200,000 with a FirstBuy loan of £40,000, and then resell it for £300,000, you'll pay back a lump sum of £60,000.

If you pay off part of your loan in instalments, and then sell your house, you'll simply pay back the outstanding percentage of the resale value as a lump sum.

No interest to pay for the first five years

You won't have to pay a penny extra for your loan during the first five years. Once the five years are up, you'll be charged a low interest rate of 1.75% rising by RPI +1% each year, which you'll pay as a monthly fee.

Of course, if you repay your loan in full by instalments in the first five years, you won't be charged any interest at all, and will have nothing to pay back when you sell it.

TAKE THE FIRST STEPS TOWARDS YOUR FIRST HOME TODAY



If it sounds like FirstBuy could be your answer, the first thing you need to do is check whether you're eligible for the scheme:

- Do you have a household income of less than £60k?
- Are you looking to buy your first home (or a new home after a relationship break up)?
- Are you able to pay at least a 4% deposit, solicitor's fees, stamp duty and any other initial expenses?
- Are you able to arrange a mortgage, and make monthly repayments?

If you can say yes to all these questions, then we can get things moving. The best way to start is to find a property on our website that is included in the scheme, then contact us to register your interest in FirstBuy. We'll put you in touch with your local HomeBuy Agent who will check your eligibility and help you all the way along the process.

Of course, we'll also be on hand to help you find an independent mortgage adviser and a solicitor, and generally make sure things run smoothly. And we'll be as delighted as you are when you move into your first Barratt home.

ANY QUESTIONS? WE'VE GOT THE ANSWERS



Can I buy any house I like under the FirstBuy scheme?

You can only buy a new home from property developers like Barratt Homes who have signed up to FirstBuy. Look out for the HomeBuy logo, which you'll find next to properties on our website that are included in the scheme.

Can I buy off plan?

Yes, you can reserve a new home off plan up to nine months before completion. Of course, you'll need to make sure that your mortgage offer is valid for that length of time.

Can I buy a second home, or sublet my FirstBuy home?

Not before you have paid back your loan, because FirstBuy is designed to help you get on the housing ladder. If you want to sublet, or buy a second home, you would need to repay your loan first. However, if you are a member of the Armed Forces, exceptions to this rule may apply.

Can I extend or alter my home?

Your home is 100% your own, but you would need to get permission from your HomeBuy Agent before carrying out any major improvements, and it might not be granted.

What happens if the value of my house goes down?

You'll pay back the same percentage of the resale value of your house that you originally borrowed, regardless of the market. So if the house sells for less, you'll owe less too. For example, if you borrow £40,000 to buy a £200,000 house, and then sell it for £180,000, you'll pay back a lump sum of £36,000.

[For full details of the ins and outs of FirstBuy, please have a read of our terms and conditions.](#)