



Help to Buy schemes proving successful

Over 160,000 people have been able to achieve home-ownership thanks to the government's Help to Buy housing schemes.

Of those, 118,000 were first time buyers, the average house price was £189,795 (significantly under the national average of £292,000), more than half were for new build homes and all but 5% of completions took place outside of London.

Supporting first time buyers

The Help to Buy schemes were primarily designed to support first time buyers and began with the Help to Buy: equity loan launched in April 2013. This was designed to support purchases of new build properties up to the value of £600,000, with a maximum equity of 20% (40% in Greater London). To date, 81,014 properties have been purchased with the help of a Help to Buy: equity loan. Then followed the Help to Buy: mortgage guarantee scheme in October 2013, offering lenders the option to purchase a guarantee on mortgage loans where the borrower has a deposit of between 5% and 20%. 78,749 mortgages have been completed with the support of this scheme and 79% of those are first time buyers.

First time buyers got a further boost in December 2015, with the launch of the Help to Buy: ISA. Since then, more than 500,000 people saving for their first home will benefit from a government bonus of up to £3,000.

Helping people across the UK

Help to Buy is helping people throughout the UK to achieve their dream of owning a new or bigger home. It also appears to be contributing to a potential turnaround in the housing market decline: recent figures from the latest English housing survey show the number of people owning their own home has stopped reducing for the first time since 2003.

With the majority of completions outside of London, the highest number of homes completed through both the Help to Buy: ISA and mortgage guarantee schemes has been in the North West region. The equity loan is particularly popular in the South East region.

City-based first time buyers and second-steppers have been supported further by the London Help to Buy scheme launched in February 2016. The scheme supports purchases of new build homes in the capital by offering a 5% deposit backed by an equity loan of up to 40% from the government. There were 256 completions in London between 1 February 2016 and 31 March 2016 using the equity loan.

Right to Buy

In total, more than 309,000 households have been helped to purchase a home through a government backed Right to Buy scheme in the last six years – that's 141 new homeowners a day and around 4,350 a month.

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