

Help to Buy (Shared Equity) Guide

To help us process your client's application more efficiently, here is a guide to help you submit a Shared Equity (Purchase and Remortgage) application.

What you need to know before submitting an application

- Maximum LTV 75% subject to a minimum 5% being provided independently from the scheme.
- Additional borrowing considered for the purchase of additional equity of the property.
- Only permitted with a Capital and Interest repayment type.
- Further advance or remortgage applications to repay the equity loan are permitted, as it will no longer be considered as Shared Equity.
- Transfer of equity is permitted subject to prior agreement from Homes England.

Affordability Calculator

Complete the required fields of the Affordability Calculator.

1. Loan requirements

Is this part of a Government affordable housing scheme? No Yes

Loan amount	Term years	Term months
<input type="text" value="0"/>	<input type="text" value="25"/>	<input type="text" value="0"/>

Total years:

Total months:

4. Expenditure

Monthly Amount	Applicant 1
Gross salary deductions (month) ?	<input type="text" value="0"/>
Net salary deductions (month) ?	<input type="text" value="0"/>
Child Maintenance:	<input type="text" value="0"/>
Nursery/School/College/University fees:	<input type="text" value="0"/>
Nanny/Child Minder/Au pair:	<input type="text" value="0"/>
Private Care Home:	<input type="text" value="0"/>
Ground Rent / Service Charge (Annual Amount)	<input type="text" value="0"/>

Government affordable housing schemes

Shared Equity Loan Amount

Shared Ownership Rent Amount

The Shared Equity Loan Amount should be entered here. There is no requirement to capture future interest as this is included in the affordability calculation.

Inputting the DIP

Complete the required fields to proceed with the application.

Purchase

Shared equity * Yes No

Scheme provider *

Equity loan percentage * %

Estimated value / Purchase price *

Loan amount * LTV= 0%

Term * Years
 Months

Repayment type * ▼

This should represent the % of the Equity loan e.g. 20% (40% in Greater London).

Source of deposit

Source of deposit *	Please confirm the source of deposit *	Amount *	Delete
Select		<input type="text"/>	<input type="checkbox"/>
Shared equity - Equity loan			
Equity			
Savings			
Cash gift from Parent, Grandparent or Sibling			
Equity gift from Parent, Grandparent or Sibling			
Cash gift from family member other than Parent, Grandparent or Sibling			
Equity gift from family member other than Parent, Grandparent or Sibling			
Loan			
Cash gift from another individual			
Equity gift from another individual			
Builder Incentive			
Will			
Deed of gift			
Transfer at undervalue			
resid			
Inheritance			
Right to buy discount			
Other			

delete Selected - Add More +

Please capture the Equity loan amount by selecting 'Shared equity - Equity loan' and the additional deposit by using the relevant 'Source of deposit' from the list.

Remortgage

Loan details	
Purpose of mortgage loan *	<input type="radio"/> Purchase <input checked="" type="radio"/> Remortgage
Type of mortgage loan *	Residential <input type="button" value="v"/>
Shared equity *	<input checked="" type="radio"/> Yes <input type="radio"/> No
Scheme provider *	<input type="text"/>
Percentage to be purchased *	<input type="text"/> % 1
Equity loan percentage *	<input type="text"/> % 2
Estimated value / Purchase price *	<input type="text"/>
Loan amount *	<input type="text"/> LTV= 0%
Original equity loan amount *	<input type="text"/>
Term *	<input type="text"/> Years
	<input type="text"/> Months

1 This should represent the % of the Equity loan being repaid via the remortgage:

- Enter '0' here if no additional monies are being raised for the purchase of additional equity.
- If additional funds are also being raised to purchase (repay) additional equity then enter the % amount here. E.g. If the original Equity loan was 20% and the applicant(s) wish to borrow additional money to repay half of the original 20% taken, then this would be entered as 10%.

The % amount entered should not exceed the figure entered in the 'Equity loan percentage' field (note 2 below).

2 This should be the current percentage of the Equity loan e.g. 20% (40% in Greater London). (This figure should not exceed 40%.)

Loan amount breakdown

Please see below examples of how to complete the Loan amount breakdown for when 'Purchasing (repaying) additional equity' and a 'Transfer of Equity'

Purchasing (repaying) additional equity

Loan amount breakdown

Please indicate how the loan amount will be allocated below:

Purpose of borrowing *	Please confirm the breakdown *	Amount *	Delete
<div data-bbox="112 430 425 829"><ul style="list-style-type: none">SelectRepayment of current mortgageBusiness purposesCar/Holiday/WeddingDebt consolidationGambling debtsHome improvementsPayment of taxesPurchase of equityPurchase of freeholdPurchase of landRepayment in full of central govt equity loanRepayment in full of local govt equity loanShared ownership - purchase of equityStructural workExtension of leasePurchase/Deposit for buy to let propertyRepayment of ERCsShared equity - Purchase of equityOther</div>		<input type="text"/>	<input type="checkbox"/>
		<input type="button" value="Delete Selected -"/>	<input type="button" value="Add More +"/>
<input type="button" value="Save"/>			

3 Select 'Repayment of current mortgage' and enter the loan amount (excluding any additional monies raised). Where the applicant(s) requires additional funds to purchase (repay) additional equity, you will need to complete step 4.

4 Where additional funds are being raised to purchase (repay) additional equity, select 'Add More' and then from the drop down select 'Shared equity – Purchase of equity'. You should only enter the additional monies raised for the purchase of additional equity.

Transfer of Equity

Loan amount breakdown

Please indicate how the loan amount will be allocated below:

Purpose of borrowing *	Please confirm the breakdown *	Amount *	Delete
Select		<input type="text"/>	<input type="checkbox"/>
Repayment of current mortgage			
Business purposes			
Car/Holiday/Wedding			
Debt consolidation			
Gambling debts			
Home improvements			
Payment of taxes			
Loan			
Purchase of equity			
Purchase of freehold			
Purchase of land			
Will			
app			
res			
Repayment in full of central govt equity loan			
Repayment in full of local govt equity loan			
Shared ownership - purchase of equity			
Structural work			
Extension of lease			
* Man			
Purchase/Deposit for buy to let property			
Repayment of ERCs			
Shared equity - Purchase of equity			
Other			

Delete Selected - Add More +

Save

5 Select 'Repayment of current mortgage' and enter the loan amount (excluding any additional monies raised). Where a Transfer of Equity requires additional funds, you will need to complete step 6.

6 Where additional funds are being raised for a Transfer of Equity, select 'Add More' and then from the drop down select 'Purchase of equity'. You should only enter the additional monies raised for the Transfer of Equity.

Where no additional funds are required as part of a Transfer of Equity, simply enter the loan amount in the 'Repayment of current mortgage' section.

Property Screen

Following the selection of 'leasehold' tenure, the following field will be displayed. The ground rent and service charge per annum will be used in the affordability calculation.

Remaining term of lease *	<input type="text"/>	Years
Ground Rent per annum *	<input type="text"/>	
Service charge per annum *	<input type="text"/>	

Product selection

Only the products applicable to the application will be displayed on the screen.

These products are for example purposes only.

Product options					
Product	Initial rate	Initial monthly payment	Max LTV	Completion Fee	Select
16085/7019 - HTB 2 Year Fixed Rate 2.19% until 31/08/2021 FV (Portability, Free Valuation (£740 max), Overpayments)	2.19%	£671.41	75%	£0.00	<input type="radio"/>
16086/7020 - HTB 2 Year Fixed Rate 2.34% until 31/08/2021 CB (Portability, Free Valuation (£740 max), Overpayments, Cash Back £500)	2.34%	£682.93	75%	£0.00	<input type="radio"/>
16087/7021 - HTB 3 Year Fixed Rate 2.34% until 31/08/2022 FV (Overpayments, Portability, Free Valuation (£740 max))	2.34%	£682.93	75%	£0.00	<input type="radio"/>
16088/7022 - HTB 3 Year Fixed Rate 2.44% until 31/08/2022 CB (Portability, Overpayments, Cash Back £500, Free Valuation (£740 max))	2.44%	£690.68	75%	£0.00	<input type="radio"/>

[Add product +](#)



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