

Many first-time buyers would love to buy in their local area, close to family and friends. The First Homes scheme is helping make this dream a reality.

The First Homes scheme is a government initiative that supports local people and key workers by providing a significant discount of 30% on new build homes compared with market prices. You own 100% of the house but only pay for 70% as the government pays for the other 30%.

### First Homes Example

Market Price:  
£200,000  
First Homes Discount:  
30%  
First Home buyer pays:  
£140,000

## Benefits of First Homes



No stamp duty



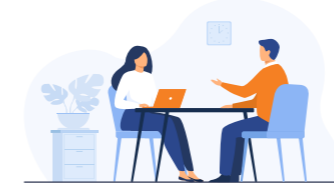
You don't have to pay back the 30% discount



Helping people in the local community own a home



## How to buy your First Home in 6 easy steps



### 1. Come and see us.

Visit one of our developments that has First Homes properties. We advise you to seek financial advice from a mortgage advisor to determine whether you are likely to be able to obtain a mortgage, through for example a "decision in principle" from a mortgage bank or building society. We can provide you with details of some recommended independent advisors.



### 2. Fantastic you've found a home, what's next?

If there is a First Home you would like to purchase, we would check your eligibility to buy against the local and national criteria.

Once your eligibility under the criteria has been confirmed, we will assist you in completing the First Homes application form

If you haven't done so already you should instruct a conveyancer\* to advise you on the purchase.



### 3. The first legal bit...

Next, you will sign the legal declarations on the application form, reserve your First Home and pay the reservation fee (this is refundable if you are found not to be eligible).

Chestnut Homes will submit the completed application form for the local authority's consideration.

Once the local authority accepts your application, they will then issue a First Homes 'Authority to Proceed' and an Eligibility Certificate.



### 4. The second legal bit, mortgage and moving forward.

You can now apply for your mortgage. It is important not to submit your full mortgage application until you have the 'Authority to Proceed'\*.

Your conveyancer will work on your purchase and follow the local authority's instructions. You will have to make a further legal declaration that you are eligible and understand the terms of the First Homes scheme and that you can only resell the home in the future to another eligible First Homes buyer.

The local authority will check the conveyancer's request and, if it is a compliant sale, will issue an 'Authority to Exchange' and Compliance Certificate to your conveyancer. It is very important that you keep the Compliance Certificate. This shows you are eligible and entitled to be a First Homes owner.



### 5. Almost there...

With the Authority to Exchange, you must pay your deposit and exchange contracts. At this point, you are legally committed to buying your home.



### 6. The keys to your First Home.

Once we have given notice of legal completion\*, your conveyancer will get your mortgage funds from your lender to pay for your property. On the date of legal completion, once Chestnut Homes receive your funds you will get the keys and can move into your First Home!

\*Mortgage advisor – a qualified professional who specialises in finding the most suitable mortgage deal for your circumstances.

\* Conveyancer - responsible for the legal process of buying and selling property.

\* Authority to Proceed – an official document detailing you are eligible for the scheme and can progress with buying your home

\* Legal completion - is the point at which the sale is finalised and the home legally becomes the property of the new owner.

## What are First Homes?

- » First Homes are new build homes for first-time buyers.
- » The homes are offered at a discount of 30% compared to prices of equivalent properties on the open market.
- » The discount will apply to the First Home forever. If you were to sell your home the next purchaser would also benefit from the First Homes scheme.

## What type of properties are First Homes?

- » First Homes are exactly the same in style and quality and built to the same standards, as any other newly built Chestnut home for open market sale within the same development.
- » The maximum price of a First Home, after the discount is £250,000 in England and is only available on selected homes.

## Am I eligible for First Homes?

- » You must be a first-time buyer and not have owned a home anywhere in the world.
- » Your household income must not be more than £80,000.
- » You will need to comply with any local connections restrictions – set by the local authority.
- » You will also need a mortgage of at least 50% of the price of the First Home and a deposit of at least 5%.

## How can I use my First Home?

- » Your First Home must be the only residential property you have for the duration of your First Home ownership.
- » You can decorate and update your First Home as you wish, in keeping with planning rules and the terms of your mortgage.

## How do I sell my First Home?

Should you wish to move home, you can sell your First Home to another eligible buyer. The percentage discount that applied when you bought the First Home would also apply on the sale price. The percentage discount is fixed and cannot change, even if you have made improvements to your home.

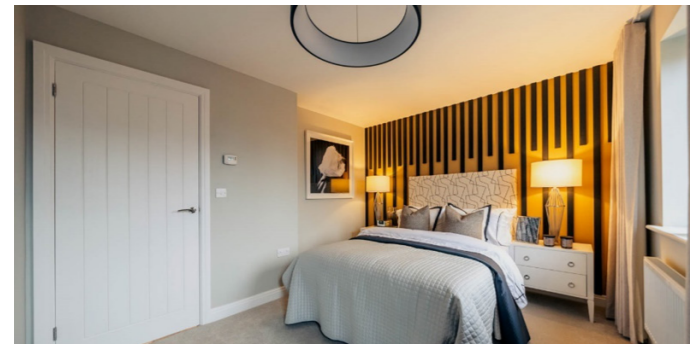
So, for example, you previously purchased your home at a 30% discount compared to the open market price, you must also then sell it for a 30% discount compared to its open market value at the time of the sale, this is to ensure the First Home continues to benefit others.

## If I am Buying with a partner, do they also have to be a first-time buyer?

Yes. If the First Home is being bought by more than one individual, all purchasers must be first-time buyers.

## Can I rent my First Home?

No, First Homes are for people to live in, so they aren't allowed to be used for holiday homes or buy to lets. The homes are for local people to take their first step onto the property ladder.



## Getting started with your First Home

If you are a first-time buyer looking to get on the local property ladder, the First Homes scheme is a great way to find your dream home at a more affordable price for you. If you're looking to buy a First Home speak to your Sales Executive at our participating developments.

[sales@chestnuthomes.co.uk](mailto:sales@chestnuthomes.co.uk)  
[ownyourhome.gov.uk/scheme/first-homes/](http://ownyourhome.gov.uk/scheme/first-homes/)

\*The Government-backed, First Homes scheme, is subject to eligibility, terms and conditions and available on selected plots and developments. First Homes purchasers are required to fund at least 50% of the purchase price by means of a conventional mortgage, savings and any deposit where required.

# First Homes

## Getting you on the ladder

Backed by HM Government

# A guide to our discounted homes for first-time buyers.



 Chestnut Homes