

Help to Buy-Wales Shared Equity Loan Scheme – Data to 31 March 2017

26 April 2017
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Since the introduction of the Help to Buy - Wales scheme on 2 January 2014, to 31 March 2017, a total of 4,949 property purchases were completed using a Welsh Government Help to Buy-Wales shared equity loan.



75 % of completed purchases were by first time buyers



- Since January 2014, the cumulative value of these equity loans was £179.8 million, with the value of the properties purchased totalling £907.6 million.
- Since the start of the scheme, the mean (average) purchase price paid for all completed purchases was £183,383 and the mean equity loan value was £36,340.
- The majority of homes purchased through the Help to Buy – Wales Shared Equity Loan Scheme were to first time buyers, accounting for 75 per cent of total completions.
- Just over three quarters (76 per cent) of all homes purchased through the scheme, up to 31 March 2017, were from households with a total household income of between £20,001 and £50,000.
- Half of all purchases to date were of three bedroom properties and 47 per cent were for households with 2 adults and no children.

About this release

This annual statistical releases presents information on the number of home purchased under the Welsh Government's Help to Buy – Wales Shared Equity Loan Scheme since its introduction on 2 January 2014. Under the scheme, loans are available to buyers wishing to purchase a new-build property worth up to £300,000. A shared equity loan of up to a maximum of 20 per cent of the property purchase price is available. In addition, buyers are required to provide a 5 per cent deposit and will then need to secure a mortgage to cover the remaining balance. All builders (of all sizes) are able to register with the scheme and sell properties through the initiative.

In this release

Quarterly figures	3
Local authority figures	5
Purchase price	7
Applicant income	9
Property size and household type	10
Key quality information	12
Glossary	18

Introduction

This Statistical Release presents Official Statistics on the number of home purchases and the value of equity loans under the Welsh Government's Help to Buy – Wales Shared Equity Loan Scheme introduced on 2 January 2014. Help to Buy - Wales is a shared equity loan scheme designed to support home ownership, stimulate building activity and provide a boost to the housing sector and wider economy. Help to Buy – Wales support is available to all home buyers (not just first time buyers) who wish to purchase a new home, but may be constrained in doing so – for example, as a result of deposit requirements – but who could otherwise be expected to repay a mortgage.

On 10th December 2015, The Welsh Government announced it is investing up to a further £290 million in the second phase of Help to Buy –Wales and the additional funding will aim to support the construction of more than 6,000 further new Welsh homes by 2021.

This release does not cover statistics relating to the UK-wide Help to Buy: Mortgage Guarantee scheme. More information on the Help to Buy: Mortgage Guarantee scheme can be found in the Key Quality Information section of the release.

Source of data

The data published in this release is collected on behalf of the Welsh Government by Help to Buy (Wales) Ltd, who are responsible for the administration of the scheme.

This release does not cover statistics relating to the UK-wide Help to Buy: Mortgage Guarantee scheme. More information on the Help to Buy: Mortgage Guarantee scheme can be found in the Key Quality Information section of the release.

Information relating to how this data is collected can be found later in the release, in the Key Quality Information section.

Quarterly figures

As shown in [Table 1](#), the quarterly figures for Help to Buy – Wales Shared Equity Loans are based on legal completion dates for transactions through the scheme. The legal completion date is the point at which Help to Buy (Wales) Ltd receives a completion notice from either the buyer's conveyancer or solicitor. The figures presented below capture all completions from the launch of the scheme, on 2 January 2014, to 31 March 2017.

Table 1: Number of legal completions, and value of equity loans (£s millions), Wales (a)

	Completions (Numbers)	Total value of Properties purchased (£s millions)	Value of Equity Loans at completion (£s millions)
2013-14			
January to March 2014	72	12.2	2.4
2014-15			
April to June 2014	348	61.0	12.1
July to September 2014	289	51.8	10.3
October to December 2014	408	73.0	14.5
January to March 2015	262	47.8	9.4
Total 2014-15	1,307	233.6	46.4
2015-16			
April to June 2015	489	88.1	17.5
July to September 2015	372	68.8	13.6
October to December 2015	554	101.4	20.1
January to March 2016	296	54.8	10.8
Total 2015-16	1,711	313.2	62.0
2016-17			
April to June 2016	569	107.6	21.3
July to September 2016	405	75.5	15.0
October to December 2016	560	104.0	20.6
January to March 2017	325	61.5	12.3
Total 2016-17	1,859	348.6	69.1
Cumulative total to 31 March 2016	4,949	907.6	179.8

Source: Help to Buy (Wales) Ltd

(a) The value of the equity loans are linked to the purchase price of the property and can be no more than 20 per cent of a property's value at the point of sale. The remaining value of the purchase must be financed through a combination of a buyer's deposit and a conventional mortgage.

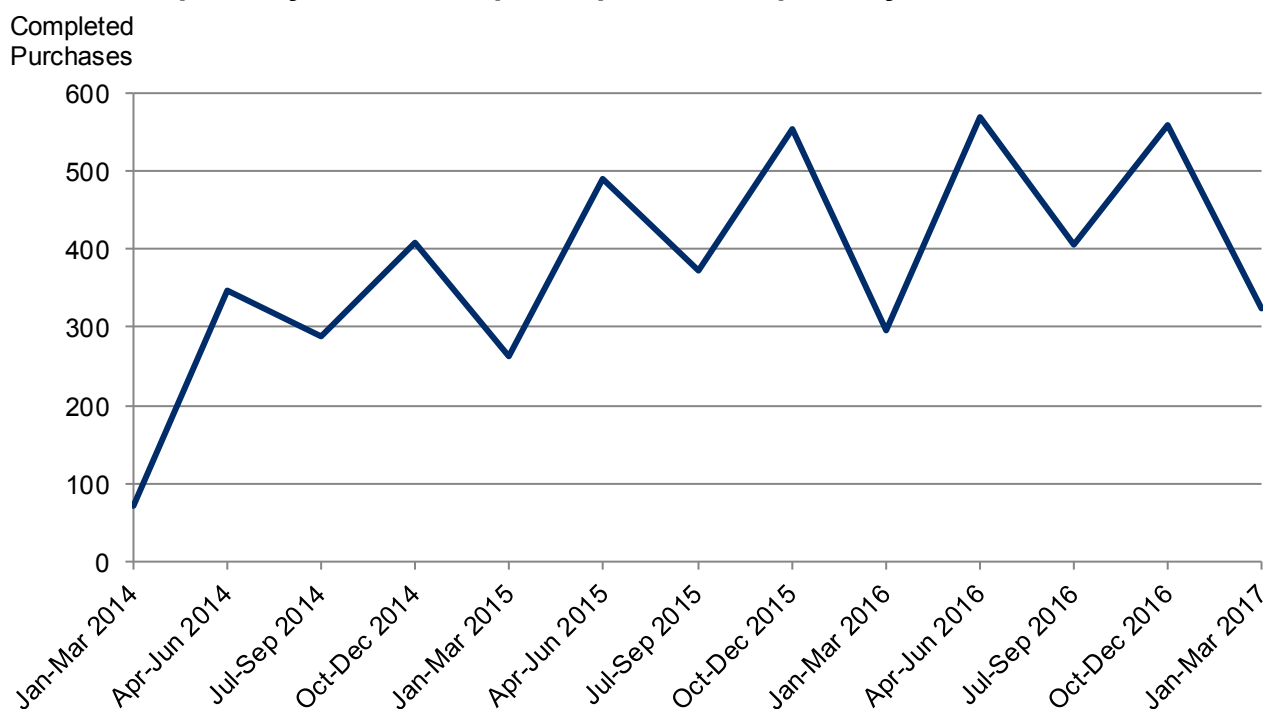
The cumulative total of homes purchased under the Help to Buy-Wales scheme by 31 March 2017 was 4,949. The corresponding value of the equity loans used to support these purchases was £179.8 million, which represents 20 per cent of the overall value of all properties purchased under the scheme which totalled £907.6 million ([Table 1](#)).



Since January 2014, there have been **4,949** property purchases using the Help to Buy-Wales scheme

The number of completed purchases increased by 9 per cent during 2016-17 compared with the previous financial year to 1,859 purchases and the value of the equity loans used to support these increased by 11 per cent to £69.1 million. During 2016-17, the total value of all properties purchased using a Help to Buy-Wales equity loan was £348.6 million which is an increase of 11 per cent on the total value of all properties purchased during 2015-16 ([Table 1](#)).

Chart 1: Help to Buy-Wales, completed purchases quarterly, Wales



Source: Help to Buy (Wales) Ltd

As can be seen from [Chart 1](#), there are clear patterns within the quarterly figures, with a higher level of completions during the April to June and October to December quarters in each year. These increases in activity may be influenced by the quarterly sales targets used by larger developers, with June and December corresponding with the mid and end year sales target dates for a majority of the larger developers.

The lower number of completed purchases during the January to March quarters of both 2015-16 and 2016-17 may also be due to the impact of external seasonal factors such as holiday periods and weather conditions with the number of new dwellings completed also showing a similar pattern of generally lower numbers during the January to March quarter each year. The figures shown in this release have not been seasonally adjusted.

Local authority figures

Over the period from 2 January 2014 to 31 March 2017, the highest number of completed purchases under the Help to Buy - Wales Shared Equity Loan Scheme was seen in Newport, with 885 completed purchases, while the lowest number over the period was in Ceredigion with just 12 completed purchases followed by the Isle of Anglesey with 14.

New house building¹ figures for the period from January 2014 to the end of December 2016 show that of the 22 local authorities, Newport had the highest number of new dwellings completed (2,120 dwellings) whilst the Isle of Anglesey had the lowest number (244 dwellings) and Ceredigion had the fourth lowest (331 dwellings).

In reference to [Map 1](#), taking into account the number of households within each local authority area, the highest rate of completed purchases through the Help to Buy-Wales Shared Equity Loan Scheme between 2 January 2014 and 31 March 2017 was also in Newport, at 141.4 per 10,000 households, followed by Flintshire, at 90.4 per 10,000 households. The lowest rate of completed purchases through the Help to Buy-Wales Shared Equity Loan Scheme over this period was seen in Ceredigion at 3.8 per 10,000 households followed by Powys with a rate of 3.9. Overall, the rate of completed purchases through Help to Buy –Wales was below the Wales average of 37.1 (per 10,000 households) in 14 of the 22 local authorities across Wales with rural authorities generally having the lowest rates. Carmarthenshire, with a rate of 55.4 completed purchases per 10,000 households was the only rural authority with a rate above the Wales average over this period.

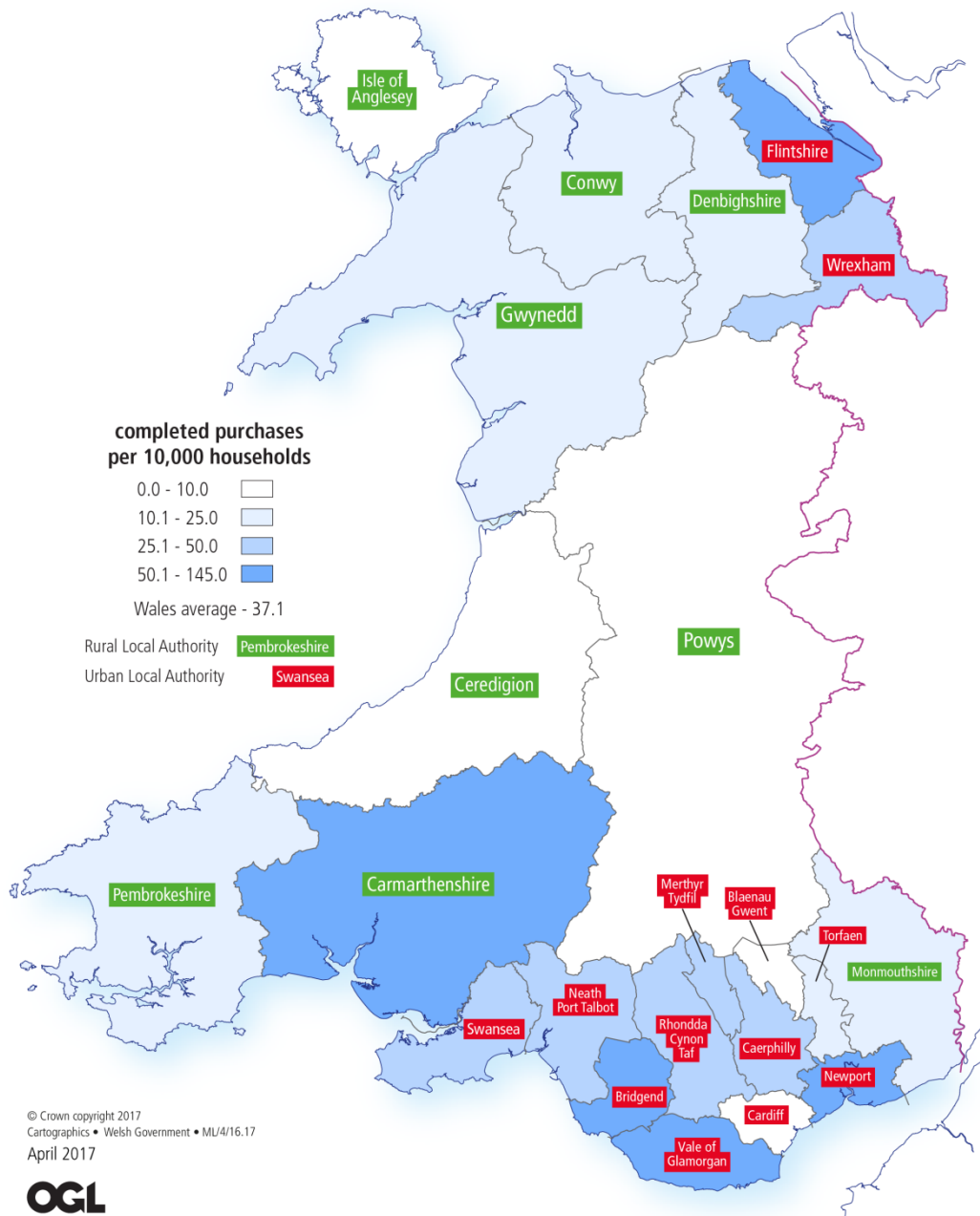
Further information on completed purchases under the Help to Buy - Wales Shared Equity Loan Scheme at a local authority level are available on the [StatsWales website](#).

¹ New house building completions by local authority are available on [Stats Wales](#).

Map 1: Help to Buy - Wales scheme (a)

Help to Buy Wales Scheme

completed purchases since 2nd January 2014 by Local Authority area
- Rate per 10,000 households



Source: Help to Buy (Wales) Ltd

(a) Completions have been mapped to each local authority according to the property postcode, and the calculation per 10,000 household is based on Welsh Government 2015 household estimates. Further information is available in the Key Quality Information section of the release.

Purchase price

The Help to Buy – Wales Shared Equity Loan Scheme can be used to purchase new build properties up to the value of £300,000, with a maximum equity loan of £60,000 (20 per cent of the purchase price of the property).

As shown in [Table 2](#), the number of homes purchased using the scheme up to 31 March 2017 was greatest in the £150,001 to £175,000 price range, representing 22.1 per cent of total sales. Overall, around 42 per cent of properties bought through Help to Buy – Wales are in the £150,001 to £200,000 price range.

Only around 10 per cent of all completed purchases were of houses priced between £50,000 and £125,000. The percentage of completed purchases in the higher property price range of between £225,001 and £300,000 however was higher at around 20 per cent.



**183,383 = Mean
purchase price to
date**
**36,340 = Mean equity
loan value to date**

Since the start of the scheme in January 2014, the mean (average) purchase price paid for all completed purchases was £183,383 whilst the median purchase price paid was slightly lower at £176,995. This reflects the fact that the distribution of sales is skewed towards the mid price range of £150,001 to £200,000.

Table 2: Cumulative number of legal completions from 2 January 2014 to 31 March 2017, by purchase price

Purchase Price	Cumulative legal completions	Numbers/Percentage	
		Percentage of total legal completions	
£50,000 – £100,000	92	1.9	
£100,001 - £125,000	404	8.2	
£125,001 - £150,000	836	16.9	
£150,001 - £175,000	1,096	22.1	
£175,001 - £200,000	1,002	20.2	
£200,001 - £225,000	541	10.9	
£225,001 - £250,000	508	10.3	
£250,001 - £300,000	470	9.5	
All properties	4,949	100.0	

Source: Help to Buy Wales Ltd

Purchaser deposits

As shown in [Table 3](#), the majority of completed purchases through the Help to Buy – Wales Shared Equity Loan Scheme have been made by first-time buyers, representing 75 per cent of all completed purchases to 31 March 2017 (3,726).

75 % of completed purchases to date were by first time buyers



The remaining 1,223 completed purchases (25 per cent) were by former owner-occupiers who used the scheme.

The majority of all recipients of Help to Buy – Wales Shared Equity Loans (67 per cent) provided the minimum 5 per cent deposit. This was the case for both first time buyers and former owner occupiers, though the number of all purchases made with the minimum 5 per cent deposit was higher for first time buyers at 2,640 than for former owner-occupiers at 675 completed purchases ([Table 3](#)).

Around 5 per cent of completed purchases were made with a deposit of over 20 per cent though again this varied with the type of purchaser. More completed purchases were made with a deposit of 20.1 per cent or more by former owner-occupiers (136) than by first time buyers (130), ([Table 3](#)).

Table 3: Cumulative number of legal completions 2 January 2014 to 31 March 2017, by purchaser deposit level and type of purchaser (a)

Deposit band	Completions (non - First Time Buyers)		Completions (First Time Buyers)		Total Completions	
	Number	Per cent	Number	Per cent	Number	Per cent
Up to 5%	675	13.6	2,640	53.3	3,315	67.0
5.1% to 10%	241	4.9	658	13.3	899	18.2
10.1% to 15%	107	2.2	194	3.9	301	6.1
15.1% to 20%	64	1.3	104	2.1	168	3.4
20.1% pr more	136	2.7	130	2.6	266	5.4
All properties	1,223	24.7	3,726	75.3	4,949	100.0

Source: Help to Buy Wales Ltd

(a) Individual deposit percentages are constructed by dividing the deposit amount by the full purchase price of the property then multiplying by 100. All individual calculations are then rounded to one decimal place. Further information on the methodology used is available in the Key Quality Information section.

Applicant household income

[Table 4](#) shows the total household income, separated by income bands, for purchasers of properties through the Help to Buy – Wales Shared Equity Loan Scheme. ‘Total applicant household income’ reported below refers to the total, cumulative, gross income of all named applicants for each individual Help to Buy – Wales property.

The number of homes purchased using the scheme was greatest for purchasers with a household income of between £20,001 and £30,000 a year, representing 29 per cent of total completions with a further 28 per cent of completed purchases being by households with an income of £30,001 to £40,000.

Just over three quarters (76 per cent) of all homes purchased through the scheme, up to 31 March 2017, were for households with a total household income of between £20,001 and £50,000.

Since the start of the scheme, only 7 per cent of all completed purchases (339 purchases) have been made by households with an income of over £60,000 ([Table 4](#)).

Table 4: Cumulative number of legal completions 2 January 2014 to 31 March 2017, by total applicant household income (a) (b)

Total applicant household Income	Cumulative completions	Numbers/Percentage	
		Percentage of total completions	
£0 – £20,000	429	8.7	
£20,001 – £30,000	1,434	29.0	
£30,001 – £40,000	1,397	28.2	
£40,001 – £50,000	917	18.5	
£50,001 – £60,000	433	8.7	
£60,001 – £80,000	284	5.7	
£80,001 – £100,000	49	1.0	
Greater than £100,000	6	0.1	
All	4,949	100.0	

Source: Help to Buy Wales Ltd

(a) Total applicant household income is registered on the Help to Buy- Wales Shared Equity Scheme Property Information Form completed at the point of reservation. Income brackets presented here reflect total applicant household income, which does not discriminate between single person applications and joint applications under the scheme.

(b) The scheme allows for property purchase up to £300,000 with a maximum 20 per cent equity loan. After accounting for the purchaser deposit and equity loan, the remaining balance must be financed through a mortgage which is not in excess of 4.5 times the applicant's household income e.g. a £300,000 property, with a 5 per cent purchase deposit (£15,000) and a 20 per cent equity loan (£60,000) must fund the remainder of the purchase through a mortgage (£225,000). In this instance, the total applicant household income must be £50,000 per annum.

Completed purchases by property size – number of bedrooms

Table 5: Cumulative number of legal completions 2 January 2014 to 31 March 2017, by property size - number of bedrooms

Number of Bedrooms	Numbers/Percentage	
	Cumulative completions	Percentage of total Completions
One Bedroom	92	1.9
Two Bedrooms	735	14.9
Three Bedrooms	2,496	50.4
Four Bedrooms	1,546	31.2
Five Bedrooms or more	29	0.6
Unknown	51	1.0
All	4,949	100.0

Source: Help to Buy Wales Ltd

50 % of purchases were 3 bedroom properties



Around a half of completed purchases to 31 March 2017 have been of three bedroom properties. Four bedroom properties accounted for a further 31 per cent of all completed purchases to 31 March 2017. This is to be expected given that on average, over the 5 years to 2015-16, the majority of new homes built (around 66 per cent) have been larger 3 and 4 (or more) bedroom properties.

Smaller two and one bedroom properties accounted for 15 per cent and 2 per cent respectively of all completed purchases over this period.

Only 29 completed purchases, less than 1 per cent, were of large 5 or more bedroom properties which may be due to the scheme's purchase price limit of £300,000.

The number of bedrooms was not recorded for 51 completed purchases during this period.

Completed purchases by household type

Just under half (47 per cent) of the completed purchases to 31 March 2017 were for households with 2 adults and no children. This may be influenced by the large proportion of first-time buyers using the scheme, some of whom may be young couples who are using the scheme to purchase a home prior to starting a family.

The second highest percentage (26 per cent) of completed purchases was for single person households and again this may be influenced by the large proportion of first-time buyers using the scheme. A further 22 per cent of completed purchases were by families with 2 adults and one or more children.

Only around 3 per cent (154 purchases) of all completed purchases over this period have been for single parents with one or more children. Each of the other household types shown accounted for less than 1 per cent of all completed purchases to 31 March 2017. For 22 completed purchases, 0.4 per cent, the household composition was not recorded.

Table 6: Cumulative number of legal completions 2 January 2014 to 31 March 2017, by household composition (a)

Household type	<i>Numbers/Percentage</i>	
	Cumulative completions	Percentage of total Completions
One adult (no children)	1,306	26.39
One adult ,1 or more children	154	3.1
2 adults (no children)	2,328	47.0
2 adults, 1 or more children	1,101	22.2
3 adults (no children)	14	0.3
3 adults, 1 or more children	15	0.3
4 adults (no children)	5	0.1
4 adults, 1 or more children	4	0.1
Unknown	22	0.4
All	4,949	100.0

Source: Help to Buy Wales Ltd

(a) For these purposes, those aged 18 + at the expected purchase completion date are adults and those aged 18 or below are children.

Key quality information

1. Official Statistics are produced to high professional standards set out in the Code of Practice for Official Statistics. They undergo regular quality assurance reviews to ensure they meet customer needs. They are produced free from any political reference.
2. In addition to the information below, further information covering the general principles and processes leading up to the production of our statistics can be found in the [Housing Statistics Quality Report](#) which is available on our website.

Well-being of Future Generations Act (WFG)

3. The Well-being of Future Generations Act 2015 is about improving the social, economic, environmental and cultural well-being of Wales. The Act puts in place seven well-being goals for Wales. These are for a more equal, prosperous, resilient, healthier and globally responsible Wales, with cohesive communities and a vibrant culture and thriving Welsh language. Under section (10)(1) of the Act, the Welsh Ministers must (a) publish indicators (“national indicators”) that must be applied for the purpose of measuring progress towards the achievement of the Well-being goals, and (b) lay a copy of the national indicators before the National Assembly. The 46 national indicators were laid in March 2016.
4. Information on indicators and associated technical information - [How do you measure a nation's progress? - National Indicators](#)
5. Further information on the [Well-being of Future Generations \(Wales\) Act 2015](#).
6. The statistics included in this release could also provide supporting narrative to the national indicators and be used by public services boards in relation to their local well-being assessments and local well-being plans.

Data collection

7. The data included in this release is collected from a variety of sources:
 - Property Information Form – this initial application form is completed by all buyers and provides basic property, income and loan request details.
 - Conveyancer Form 1 and Conveyancer Form 2 - these legal documents are completed at the point of exchange and completion, respectively.
 - Completion Notices – completion notices are issued on all Help to Buy – Wales properties by the buyer's conveyancer or solicitor. These notices provide a final confirmation that a sale has been completed through the Help to Buy – Wales scheme.
8. Data are extracted from the Help to Buy (Wales) Ltd Client Relationship Management System (CRM). All the information is held securely on the system, and is input by the processing staff at Help to Buy (Wales) Ltd. All information stored on the CRM, in relation to Help to Buy – Wales properties, is provided by either the buyer or their solicitor/conveyancer as part of the Property Information Form, Conveyancer Form 1 or Conveyancer Form 2. More details on the process

buyers go through, and the documentation they are required to complete to draw down a shared equity loan, can be found on the [scheme website](#).

Data quality

9. Data recorded on the CRM by Help to Buy (Wales) Ltd are subject to system validations at each stage of the equity loan making process. In addition, Help to Buy (Wales) Ltd and the Welsh Government review the data as part of monthly scheme monitoring.
10. The Welsh Government also conducts monthly random file checks for accuracy on Help to Buy (Wales) Ltd data. This process involves assessing 10 random cases to check the accuracy of the information recorded and ensure the cases are compliant with the scheme's eligibility criteria.
11. Help to Buy (Wales) Ltd's records are also subject to annual internal and external audits.
12. Following extraction for the purposes of producing this statistical release, data are quality assured by checking individual entries which exceed set tolerances e.g. purchaser income levels, and 'spot check' reviews.

Revisions policy

13. This release contains the final data to 31 March 2017. Help to Buy – Wales Shared Equity Loan Statistics are drawn from Help to Buy (Wales) Ltd's client relationship management system and, in a minority of cases, this information can be updated after the official statistics have been extracted and compiled. A judgement is made as to whether the change is significant enough to publish a revised statistical release. Where changes are not deemed to be significant, minor amendments to the figures may be reflected in the StatsWales tables prior to that next release.
14. Revised data will be marked with an (r) in the next subsequent statistical release. Where a substantial error has occurred as a result of the compilation, imputation or dissemination process, the statistical release, live tables and all other accompanying release material will be updated with a correction notice as soon as is practical.
15. We follow the [Welsh Government's statistical revisions policy](#).

Uses of the data

16. This publication is being released to provide information on the Help to Buy –Wales Shared Equity Loan Scheme. It is anticipated the data will be of benefit to a broad user group, including officials involved in housing policy, practitioners in the sector, researchers, developers and other individuals with an interest in private sector housing.
17. The data are used for monitoring the delivery of the Help to Buy – Wales Shared Equity Loan Scheme.

More generally, the information is used for:

- Monitoring housing trends;
- Informing housing policy development;
- Advice to Ministers;

- Informing debate in the National Assembly for Wales and beyond; and
- Geographic profiling, comparisons and benchmarking

User engagement

18. Users are encouraged to provide feedback on how these statistics are used and how well they meet user needs. Comments on any issues relating to this statistical release are welcomed and encouraged. Responses should be addressed to 'Public Enquiries', contact information for which is outlined in the 'Further Information' section below.

Dissemination

19. More detailed data relating to the Help to Buy – Wales Shared Equity Loan Scheme is published on Stats Wales on a monthly basis, covering the activity for the previous month. A consultation is currently underway looking at proposals for changes to the frequency of the information published on Stats Wales which would involve ending the monthly Stats Wales update. The consultation will run until 24th May 2017 and further [information and a consultation response](#) form are available.
20. A Statistical Headline is produced each quarter and an Annual Release is published in April of each year.
21. Further policy information on the Help to Buy - Wales Shared Equity Loan Scheme can be found on the [scheme's website](#).

Related statistics

Household estimates

22. [The mid-2015 household estimates](#), used within this release to calculate rates, were produced by the Welsh Government. The household estimates are estimations of historic household numbers. They are produced by making assumptions about household size and composition and applying these assumptions to the mid-year population estimates.

New house building

23. The Welsh Government publishes a quarterly headline and an annual release covering [new build starts and completions](#) based on the reports of local authority building inspectors and the National House Building Council (NHBC) which is a private approved inspector (PAI).

Housing market and house prices

House Price Index

The official UK HPI captures changes in the value of residential properties. The Index uses sales data collected on residential housing transactions, whether for cash or with a mortgage.

The UK HPI replaces the previous house price indices published by the Office for National Statistics (ONS) and Land Registry. The UK HPI is a joint production by Land Registry, Land and Property Services Northern Ireland, Office for National Statistics and Registers of Scotland.

The ONS publish a [high level summary of the UK HPI](#), the latest being for February 2017.

A bilingual summary of [key results for Wales](#) is available on the gov.uk website.

Alternative data is published by the ONS on [House Price Statistics for Small Areas](#) of England and Wales (HPSSA). The latest published data covers the period year ending December 1995 to year ending September 2016.

Council of Mortgage Lenders

The [Council of Mortgage Lenders](#) publish an extensive range of statistics on the UK housing and mortgage markets, including data on lending for house purchase, remortgage and buy-to let. The latest information on the characteristics of lending in Wales, including lending to first time buyers, was published in November 2016.

Help to Buy ISA

The March 2015 Budget announced [The Help to Buy ISA](#) which is designed to help first-time buyers save up a deposit for their home. The UK Government will add 25% to savings, up to a maximum of £3,000 on savings of £12,000. This scheme will now close to new customers in 2019.

The Lifetime ISA (The LISA)

Launched in April 2017, people under the age of 40 will be able to open a [Lifetime ISA](#) and contribute up to £4,000 in each tax year. The government will then provide a 25% bonus on these contributions at the end of the tax year. This means that people who save the maximum each year will receive a £1,000 bonus each year from the government. Savers will be able to make Lifetime ISA contributions and receive a bonus from the age of 18 up to the age of 50.

Related statistics for other UK countries

A number of slightly different Help to Buy Shared Equity schemes operate across the UK. Further information on these is available from the [Gov.UK website](#).

England

Information on the Help to Buy equity loan scheme which operates in England is published by the Department for Communities and Local Government (DCLG). The Help to Buy equity loan scheme has been running in England since 1 April 2013. As is the case in Wales, a shared equity loan of up to a maximum of 20% of the property purchase price is available with buyers required to provide a 5 per cent deposit and secure a mortgage to cover the remaining balance. However, in England, the equity loan scheme can be used to purchase a new build property up to the value of £600,000, with a maximum equity loan of £120,000.

The data are extracted from the Homes and Communities Agency's Investment Management System (IMS). Cumulative data from the introduction of the scheme in England (on 1 April 2013) is available in a [statistical release](#).

Northern Ireland

There is no Help to Buy Equity loan scheme currently operating in Northern Ireland. The [Help to Buy Mortgage Guarantee Scheme](#) operated in Northern Ireland prior to 31 December 2016 when the scheme closed to new loans. The scheme was available to all home buyers, not just first time buyers. More information is available from the [Northern Ireland Housing Executive website](#).

Scotland

The [Help to Buy \(Scotland\) scheme](#) is available on new build homes from participating home builders and on properties up to maximum value of £230,000 for purchases which completed on or before 31 March 2017, £200,000 for purchases on or before 31 March 2018, and £175,000 for purchases on or before 31 March 2019.

The scheme is only available to those who are unable to afford to purchase a property without the Scottish Government purchasing an equity share in the property. The scheme is dependent on income level and would not be available to a single person who requires a mortgage of more than 4.5 times their income or couples who require a mortgage of more than 3.5 times their joint income.

Glossary

A Help to Buy – Wales Shared Equity Loan is a Welsh Government financial product made available to eligible applicants to purchase homes using a Welsh Government equity mortgage secured against a buyer's new residential property. The Welsh Government shared equity mortgage is ranked second in priority, behind an owner's main mortgage lender. The Welsh Government's equity mortgage is linked to the value of the property it is used to buy, meaning that if the Welsh Government contributed 20 per cent of the property value to the applicant to buy a home, the owner will repay 20 per cent of the future value to the Welsh Government.

A Help to Buy – Wales Shared Equity Loan can be no more than 20 per cent of the value of an eligible new-build property. An eligible buyer must also provide a cash deposit of at least 5 per cent and secure a conventional mortgage of at least 75 per cent. The maximum Help to Buy – Wales Shared Equity Loan that applicants can apply for is £60,000, on a new-build property of no more than £300,000.

All Help to Buy - Wales Shared Equity Loans are issued by Help to Buy (Wales) Ltd. At the point at which a sale is completed through the scheme, Help to Buy (Wales) Ltd pay the equity loan finance to the house builder (via the buyer's solicitor or conveyancer).

All [Help to Buy – Wales](#) Shared Equity Loans are interest free for the first five years from the point at which the loan funding is drawn down. The property title is held by the home owner who can sell their home at any time; however, at the point of sale, the equity loan must be paid off, in full, based upon the market value of the property at that specific moment in time. For example, if the Welsh Government's original Help to Buy – Wales Shared Equity Loan was 20 per cent of the value of a new-build home, the owner will need to repay 20 per cent of the future value of the home (the value at the time they sell, or wish to repay their loan using other means). More information on this process can be found on the scheme website.

The following definitions are also used in relation to the Help to Buy – Wales Shared Equity Loan Scheme:

Completed equity loans (“purchaser legal completions”): a purchaser legal completion is defined as occurring when Help to Buy (Wales) Ltd are issued a completion notice by a purchaser's conveyancer or solicitor. A completion notice informs Help to Buy (Wales) Ltd that a home is ready for occupation, the sale contract between house builder and purchaser has completed and all mortgage funds, deposit and equity loan assistance have been paid to the house builder. At this point the purchaser has taken legal possession of the property.

Further information

This document is available at:

<http://gov.wales/statistics-and-research/help-to-buy-wales-shared-equity-loan-scheme/?lang=en>

The full data sets are available on [StatsWales](#).

(To note: On StatsWales results based on three or more transactions are rounded (to the nearest three in terms of transactions or to the nearest thousand pounds in the case of financial amounts) to remove the potential of disclosure by differencing.)

Next update:

Annual release April 2018

We want your feedback

We welcome any feedback on any aspect of these statistics which can be provided by email to stats.housing@wales.gsi.gov.uk

Queries regarding the Help to Buy – Wales scheme data:

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