

Introduction to Taylor Wimpey Loans

If you are not sure which type of Taylor Wimpey Loan you have, for example if you are not in possession of the original loan agreement to be able to view the particulars, then please contact the Taylor Wimpey Shared Equity Team on: sharedequity@taylorwimpey.com and they will provide you with details of your loan.

(If you received a government loan through 'Help to Buy', 'FirstBuy' or 'HomeBuy Direct' please visit www.myfirsthome.org.uk for assistance)

SELLING YOUR HOME: **Fixed Share Equity Loan**

The (10 year) Fixed Share equity Loan is calculated as a % of the current value of your property when it is repaid.

(eg: If you obtained a £25,000 equity loan to purchase your £100,000 Taylor Wimpey home the loan is a 25% equity loan. If you sell that home for £150,000 then the loan is calculated as 25% of the sale price, which is £37,500. Equally, if the property market has dipped in your area, and you sell for £90,000, then the 25% equity loan is calculated as £22,500)

If you decide to sell your property you will need Taylor Wimpey's approval of the Sale price to ensure that, as per the terms of your equity loan contract, the disposal value is a true current market value. This is in order to ensure that the redemption figure (loan amount you need to repay) is a true reflection of the equity value in the current market.

Your loan is repaid in full when the sale completes, so it's important to make sure that you'll be able to repay the loan before putting your home on the market.

Here is the process that you'll follow if you are selling:

Once you have found a buyer, agreed on a price and appointed a solicitor, please tell your solicitor that you have a Taylor Wimpey equity loan so that we can liaise with them.

We will request some particulars from the solicitor as to the sale price and use various benchmarks to evaluate whether or not the sale price meets the criteria of a true current market price for the particular property and location.

Once we have approved the sale price we will provide your redemption statement (loan account balance) to your instructed solicitor. This process can take up to approximately 5 working days and there is a small administration fee payable to us, upon redemption of the loan, for our administration of this legal process. (See check Tariffs for details)

If for some reason we dispute the sale price, citing various current comparables, we will discuss our concerns with the sale price to reach an agreeable solution between us in the first instance. Failing to reach an agreeable solution, we will jointly instruct a registered RICS surveyor (this is known as a dispute and the cost of which will be split between Taylor Wimpey and yourself) to inspect your property and provide a current Market valuation report from which the Redemption figure (re-payment figure) will be calculated.

This process can take around an additional 7 working days, after the surveyor's visit to the property.

If you require any further information with regards to selling your property, please contact the admin office at: sharedequity@taylorwimpey.com

SELLING YOUR HOME: Interest Free Loan

The (10 year) Interest Free Loan (occasionally known as the 'Deposit Match' Loan) is a fixed sum loan.

(eg: You obtained a £15,000 loan to purchase your £100,000 Taylor Wimpey home. If you sell that home for £150,000 then the loan repayment is still £15,000. Equally though, if the property market has dipped in your area, and you sell for £90,000, then the loan repayment sum remains as £15,000)

Negative Equity

Negative equity is the term used to describe the situation whereby the value of your property has fallen to a level below the outstanding amount of the mortgage(s) secured on it. If you find yourself in this situation, then you may not be able to sell your home currently.

Taylor Wimpey however recognises that sometimes unexpected, adverse circumstances may arise, whereby you may feel you need to sell your home, but are not in a position to be able to pay off the equity loan in full.

We will deal with such situations on a case by case basis. So, if you find yourself in this situation, having received a valuation on your property, please write to us at the contact details below, before putting your home on the market, explaining your circumstances to us so that we can consider the options available.

Taylor Wimpey Shared Equity Team

Efford Park, Milford Road,

Lymington,

Hampshire SO41 0JD

E-mail: sharedequity@taylorwimpey.com

EARLY REDEMPTION **Fixed Share Equity Loan**

Paying off your loan

If you are in a position to pay off all or part of the equity loan, here are the steps you'll need to follow.

- **Paying off the loan in full**

If you'd like to redeem your equity loan, without selling, you will need to have a survey carried out on the property by a RICS registered surveyor, to send to us as your 'Valuation' to ascertain the current market value, before we can provide you with a loan redemption statement.

- You can source your own surveyor for this purpose but we require the 'comparables' of at least 3 properties notes in the report by the surveyor.

- You will also need to appoint a solicitor for the purposes of payment of the loan, in accordance with the Money Laundering Regulations 2007.

Once the survey has taken place it could take approximately 5 - 7 working days for us to receive the surveyor's report, at which time we will produce a redemption statement, specifying your equity loan balance and will forward it to your solicitor.

We charge a small administration fee for the administration services involved in the loan redemption process.

- **Part payment before loan maturity**

As per the terms of your Taylor Wimpey equity loan, you can make up to 4 part payments to pay off the loan in full, before the maturity date. Each part payment must be at least 5 % of the approved Valuation.

Please note that as your loan value is a percentage of the current market value of the property, a valuation of the property will need to be carried out prior to each part-payment you make. As you will have to pay for each survey carried out it is just worth considering the costs involved so we advise you to seek financial advice to help consider your options. You will also have to appoint a solicitor

to fulfil the legal requirements and for the purposes of payment of the loan tranches, in accordance with the Money Laundering Regulations 2007.

We charge a small administration fee for the administration services involved in the loan redemption process.

'If you wish to make a part payment of your equity loan, please contact the Taylor Wimpey Shared Equity Team on: sharedequity@taylorwimpey.com

EARLY REDEMPTION Interest Free Loan

As the Loan is a 'fixed sum' you will simply need to write to notify us you wish to redeem the loan so we can open a case file and start the process of raising the Statement. You will need a solicitor to act for you (if you are re-mortgaging to redeem the loan then the mortgage lender will provide you legal service). IF you are redeeming with cash savings, then you will need to instruct your own solicitor to act for

you to cover for the Money Laundering Regulations 2007. We can provide you with details of a local firm offering a favoured rate to Taylor Wimpey customers if you are repaying with cash. Please contact us for further details.

RE-MORTGAGE Fixed Share Equity Loan or Interest Free Loan

If you are thinking of changing your first mortgage then, as per the terms of your equity loan agreement, you will need to obtain the permission of Taylor Wimpey in order to do so (a Deed of Postponement).

For us to assess the request there are certain requirements that will need to be met in the first instance:

- You do not seek Interest only repayment method
- You do not seek a Buy to Let mortgage product
- The new mortgage sum is to be equal to or less than the existing mortgage balance. The exception to this is if you are looking to use the additional borrowing to repay part of your Taylor Wimpey Loan or the funds are for Home Improvements (which we will need to assess and approve of also).

If you can meet those requirements, and when you have received a new mortgage offer, please ask your mortgage lender or solicitor to liaise with us at: sharedequity@taylorwimpey.com. Or call us free-phone on 0800 6129683

We will charge a small administration fee in relation to the administration services involved in a re-mortgage application. (Please ask for our current Tariff of charges).

HOME IMPROVEMENTS

According to the terms of your Taylor Wimpey loan, you may not carry out any significant alterations or structural works, without first receiving prior permission to do so from Taylor Wimpey. We will need to ensure that building regulations are complied with and that any works carried out do not negatively impact on the value of your property. When the necessary permission is provided by Taylor Wimpey, the works are included in the definition of 'Home Improvements, when determining disposal value (*Fixed Share Equity Loan Only*).

Cosmetic improvements, such as decorating, landscaping a garden, updating a bathroom or kitchen do not require our permission and are not included in the definition of 'Home Improvements' when determining disposal value.

If you would like to apply to carry out structural or alteration works, or find out more information on this, please e-mail or write to us at the contact details below:

Taylor Wimpey Shared Equity Administration Team

Efford Park

Milford Road

Lymington

Hampshire SO41 0JD

Tel: 01590 670226

sharedequity@taylorwimpey.com

REQUESTING PERMISSION TO LET YOUR PROPERTY **Fixed Share Equity Loan or Interest Free Loan**

If you still have a balance to pay on your Taylor Wimpey equity loan then, as per the terms of your loan contract, whereby it was granted to you on the basis as owner-occupier, with the exception of a very few limited circumstances, you are not eligible to LET out your property.

Exceptional Circumstances

Taylor Wimpey understand that there are some life events which may necessitate the Letting of your home for an interim period and in these exceptional circumstances Taylor Wimpey can grant permission for you to LET your property for a period of 1 calendar year.

Failure to obtain such permission would be a breach of your loan contract.

Requesting permission to let involves an administration and approval process and hence there is small administration fee attached.

Some of the circumstances where permission would **not** be granted are:

- Letting in order to purchase a new property
- Moving in with a partner, with a view to letting your property to collect rent
- You wish to change your mortgage to a buy-to-let mortgage

If none of the above applies and you need to apply to let your property, please write to, or e-mail, us at the address below:

Taylor Wimpey Shared Equity Administration Team

Efford Park

Milford Road

Lymington

Hampshire SO41 0JD

sharedequity@taylorwimpey.com

TRANSFER OF OWNERSHIP Fixed Share Equity Loan or Interest Free Loan

If you purchased your home with a partner and personal life events have meant the relationship has become separated, then you may require to release a party from the property and their liability towards the Mortgage and the Taylor Wimpey Loan. Equally, if you have a partner you would like to add as a proprietor to your home and the subsequent Mortgage and Taylor Wimpey loan, this is what's known as a Transfer of Equity. In order to carry out a

transfer of equity you will require our written permission to do so, however we are not obliged to consent to it. In order to provide consent, we need to ensure that those parties to the Taylor Wimpey loan meet our transfer criteria. You will first need to need to appoint a solicitor to liaise with us and perform the legal formalities, including certain solvency checks for the transfer process.

Please provide your solicitor with our contact e-mail: sharedequity@taylorwimpey.com to liaise with us in the first instance.

Please also note that, Taylor Wimpey can only permit to ONE transfer of equity throughout the lifetime of the loan.

If permission is granted we will need to carry out the requisite administration with regards to the Land Registry documentation, as required by law. There will be a small administration fee payable to us for completion of this process.