

Empty Property Loans Equity Release

Factsheet HSA2



To help home-owners bring their long-term empty properties back into use, City of York Council has an equity release loan scheme. Borrow up to £30,000 per property with no repayments during the loan period. Can we help you?

Who can apply for an equity release empty property loan ?

Loans are available if you are one of the following:

- the freeholder of the empty property
- a leaseholder with at least 50 years remaining on the lease
and

you agree to do one of the following:

- let the property throughout the loan period to tenants with a local connection on a minimum twelve month fixed-term, assured shorthold tenancy.
- sign up to a formal agreement with the Homeless Prevention Service to use **YorHome** (the council's socially responsible letting agency) to let the property to tenants with a local connection for at least five years.

You can see what local connection means overleaf.

Your loan will be registered as a charge with the Land Registry

City of York Council Housing Services



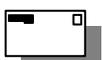
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www.york.gov.uk/housing/privatehousing



Housing Standards and Adaptations
City of York Council

West Offices

Station Rise

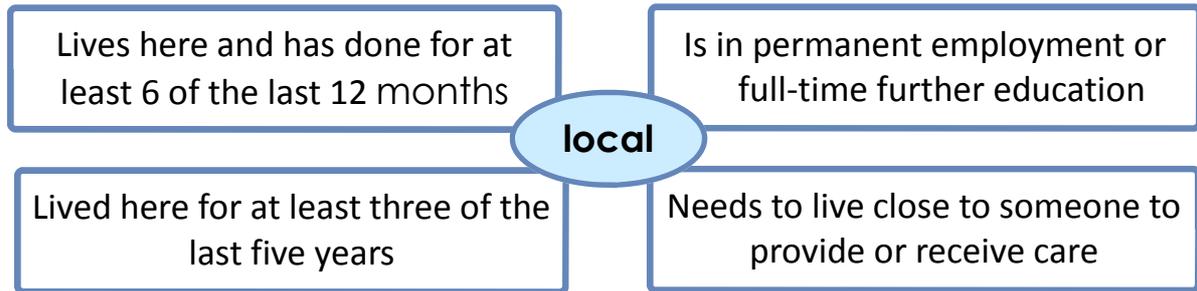
York

YO1 6GA

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request

What is a local connection ?

Local connection means someone in York or the North Yorkshire area who meets one of these criteria



What type of work can the loan cover?

At no cost to you, we'll develop a schedule of works to return your property to a good, ready to let home that is:

- safe and free from category 1 hazards (Housing, Health & Safety Rating System)
- in a good state of repair
- warm and well insulated
- equipped with a modern, well laid out kitchen and bathroom

How do you calculate the loan repayments?

We work out the loan as a percentage of the unimproved property value.

for
example

| | |
|---------------------------|-----------|
| Unimproved property value | £150,000 |
| Empty Property Loan | £ 10,000. |

So this loan is for **6.66%** of the unimproved property value
(£10,000 ÷ £150,000 = 0.06 x 100 (%) = 6.66%)

At the end of the loan period you pay back the same percentage of the improved property value. A cap on the total repayment protects you from exceptional increases in property value.

| | |
|-------------------------|----------|
| Improved property value | £200,000 |
|-------------------------|----------|

So this repayment would be **6.66%** of the improved property value
(£200,000 x 6.66% = £13,320)

If in doubt, please seek independent financial advice.

Polish : To jest dla kredytów do naprawy pustych domów. Zapewniamy niniejsze informacje w Państwa języku ojczystym

Turkish : Bu boş konutların onarımı için yaklaşık kredileri. Bu bilgileri kendi dilinizde alabilirsiniz.

Cantonese : 这是贷款修空舍. 我們可以您所需的語言提供該資訊