

KEY FACTS

Deposit Unlock

The Deposit Unlock scheme allows you to buy a new build home with just a 5% deposit from selected home builders. Typically 95% mortgages have been difficult to secure on new builds, but with this scheme, property builders pay to insure the mortgages, making lenders more comfortable offering a high Loan to Value (LTV) mortgage.

 **Suitable for buyers and movers**

 **Buy a home with a 5% deposit**

 **Mortgage amount limited to £750,000**



Eligible properties

New build homes

You can only buy a new build home with the Deposit Unlock scheme



Minimum deposit

5%

You need a minimum 5% deposit



Maximum mortgage term

40 years

Or a maximum age of 75 at the end of the term



Fixed rates available

2, 3 & 5 years

And tracker, discount and variable mortgages

Benefits



You could buy a new build with a 5% deposit

For new build properties, lenders typically would require a 15%-25% deposit. With this scheme, you could buy a new build home with just a 5% deposit, meaning that you might be able to buy sooner.



Access to a range of property builders

There are 31 property builders offering the Deposit Unlock scheme - so you'll have a range of choices when looking for a suitable home. However, not every house they build will be eligible for the scheme.

Risks and considerations



Limited mortgage lender choice

There are only three lenders offering the Deposit Unlock scheme. This means that you may not always get access to the best rates on the market.



New build premium

The prices of new build homes can initially fall.



“Saving is particularly difficult in the current climate, and this scheme helps first-time buyers & movers to buy a new-build with just a 5% deposit.”

Geraldine Mortgage Broker at Tembo

The application process

1

Make a Tembo plan

In under 10-minutes we'll check your eligibility for Deposit Unlock as well as our other buying schemes. Plus you'll get a personalised mortgage recommendation including interest rates and repayments.

2

Talk to an expert

Book a call with our mortgage experts to complete the qualification process. We'll cover any questions you might have about Deposit Unlock, and collect more information about your situation.

3

Find a property

Now it's time to find a home! Deposit Unlock is available with over 30 house builders, on selected developments and properties. Your Tembo advisor will support you during the house hunt.

4

Make home happen

Once you've found an eligible property, we'll prepare & submit your mortgage application. We'll then liaise with the developer and your solicitors to ensure a smooth purchase.

YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.

Tembo Money Limited is authorised and regulated by the Financial Conduct Authority under registration number 952652.

Correct at time of publishing.

For source for "95% mortgages difficult to secure on new builds", please see here: <https://hoa.org.uk/advice/guides-for-homeowners/i-am-buying/new-build-homes-and-getting-a-mortgage-top-tips/>

See the full list of property builders offering the Deposit Unlock scheme here (date obtained February 2023): <https://deposit-unlock.co.uk/participating-builders/>

See the full list of lenders who offer the Deposit Unlock scheme here (date obtained February 2023): <https://www.hbf.co.uk/deposit-unlock/>