

## CLARIFICATION TO THE HELP TO BUY: ISA SCHEME RULES

The following clarifications have been made to the Help to Buy: ISA Scheme Rules. These reiterate that the property price cap for an *Eligible Interest in Land* is £250,000 (or £450,000 for properties located in London) regardless of the nature of the transaction. They also provide an alternative method of calculating the **Purchase Price** of the property for the purposes of a **Shared Ownership Arrangement** property transaction. Additional detail on this is provided in the Help to Buy: ISA Conveyancer Guidelines which can be found on the Help to Buy: ISA conveyancer website: <https://www.helptobuyisaadmin.org.uk/conveyancers/the-scheme>

“**Purchase Price**” means:

- (a) in connection with the acquisition of any interest in land in circumstances other than those described in paragraph (b), (c) or (d) below, the value of the consideration required to be paid, and which is paid, by the purchaser under the sale and purchase agreement entered into in connection with the acquisition of that interest in land (excluding, for the avoidance of doubt, any consideration attributed to the purchase of any fixtures and/or fittings); or
- (b) in connection with the acquisition of any interest in land under the terms of a *Regulated Home Purchase Plan*, the value of the consideration required to be paid, and which is paid, to the original seller for the legal interest in that land (excluding, for the avoidance of doubt, any consideration attributed to the purchase of any fixtures and/or fittings); or
- (c) in connection with the acquisition of an interest in land by a person who as a result of the acquisition becomes a joint owner of the land with another person who previously owned the land, the market value of the whole of the land as determined at the time of the acquisition; or
- (d) in connection with the acquisition of a leasehold interest in land under a Shared Ownership Arrangement: (i) the value determined in accordance with paragraph (a) above, or (ii) the value of the Premium required to be paid, and which is paid, by the purchaser under the sale and purchase agreement entered into in connection with the acquisition of that interest, divided by the fraction representing the share of the property to be acquired on completion by the purchaser in return for the Premium (howsoever described in the sale and purchase agreement or the lease)

“**Shared Ownership Arrangement**” means an arrangement whereby a purchaser acquires from a housing association, local authority or other legal person a leasehold interest in a property which is specified in the sale and purchase agreement and the lease to be comprised of (i) a share for which the purchaser is required to pay a Premium on completion, and (ii) a separate share in respect of which the purchaser is required to pay a periodic rent over the term of the lease.