



# Loan Redemption Guide



# Redeeming your loan

In most cases, subject to the terms of your equity loan deed, you can repay your equity loan whenever you like while you own the property. Whether you are selling your home or staying put for the time being – the choice is yours. However, with the exception of MyChoice HomeBuy, you will be required to repay all of your loan in one single transaction.

The amount required to repay your loan is based on the current market value of your home. If your property value has increased, you will repay more than you originally borrowed. But equally if the value has dropped, you will repay less. It is worth doing some research on websites such as Zoopla and Rightmove to get a rough idea of what your home may be worth.

If you are staying in your home and wish to repay the loan, you will need to look into your funding options, whether that be through savings or re-mortgaging. If you are selling, you will have to repay the loan so please factor this into your costs. Please let us know if you wish to have a chat with a recommended financial advisor for some free advice.

# Repaying on sale

If you are selling your home, you can repay your equity loan simultaneously with your sale. It couldn't be easier:

## Step 1

Complete an application form and send this to us with a copy of your certified ID and confirmation of your address. If you haven't already, instruct an Estate Agent to market your home.

If you already have your Memorandum of Sale, you can send this in at the same time, if not, please forward this on once you have a buyer secured.

## Step 2

On receipt of your Memorandum of Sale, a Post Sales Officer will check comparable evidence against the sales price of your property to ensure it is selling for a true value.

Once the sales price has been verified, we can confirm your redemption value. We will also need your solicitor details to send a redemption statement to them.

N.B. if you wish to have approved home improvements considered, please contact us as a valuation will be required.

## Step 3

Once your solicitor is ready to complete the transaction, they will send the redemption funds to Abri.

On receipt, we will complete the necessary forms to release our charge from the property and your transaction is complete.



# Staying in your home

## Step 1

Complete an application form and send this to us with a copy of your certified ID and confirmation of your address. You will need to arrange to have your home valued by a RICS qualified surveyor.

N.B. if you wish to have approved home improvements considered, please contact us as a valuation will be required.

## Step 2

On receipt of your valuation, a Post Sales Officer will confirm your redemption value.

We will also need your solicitor details to send a redemption statement to them.

Please note you will only have three months from the date of your valuation to complete the transaction.

## Step 3

Once your solicitor is ready to complete the transaction, they will send the redemption funds to Abri.

On receipt, we will complete the necessary forms to release our charge from the property and your transaction will be complete.



## Things to remember

When considering repaying your loan, please check with your mortgage lender whether any early repayment charges apply

If you have completed approved home improvements, please contact us before instructing a RICS Valuation so we can advise on next steps

If you are a MyChoice HomeBuy customer, you can 'step-redeem' and repay your loan in chunks. But remember, each time you do this you will incur costs so it is worth thinking through how much and when you wish to redeem.

## FAQs

### What if I have made improvements to my home?

Always make sure you contact us first to check which improvements are approved and that you have permission for these. They can't be taken into consideration if not. Please note it is the added value that the improvements have brought to your property, not what they cost to do.

### What improvements does Abri accept?

You are expected to keep your home to a reasonable standard therefore general maintenance, repairs and redecoration are not classed as improvements.

Examples of improvements we consider are double glazed windows when previously single glazed, central heating installation, newly fitted kitchen/bathroom, loft conversions, extensions and conservatories. Please note you must have Abri's prior written permission for these and a fee is applicable.

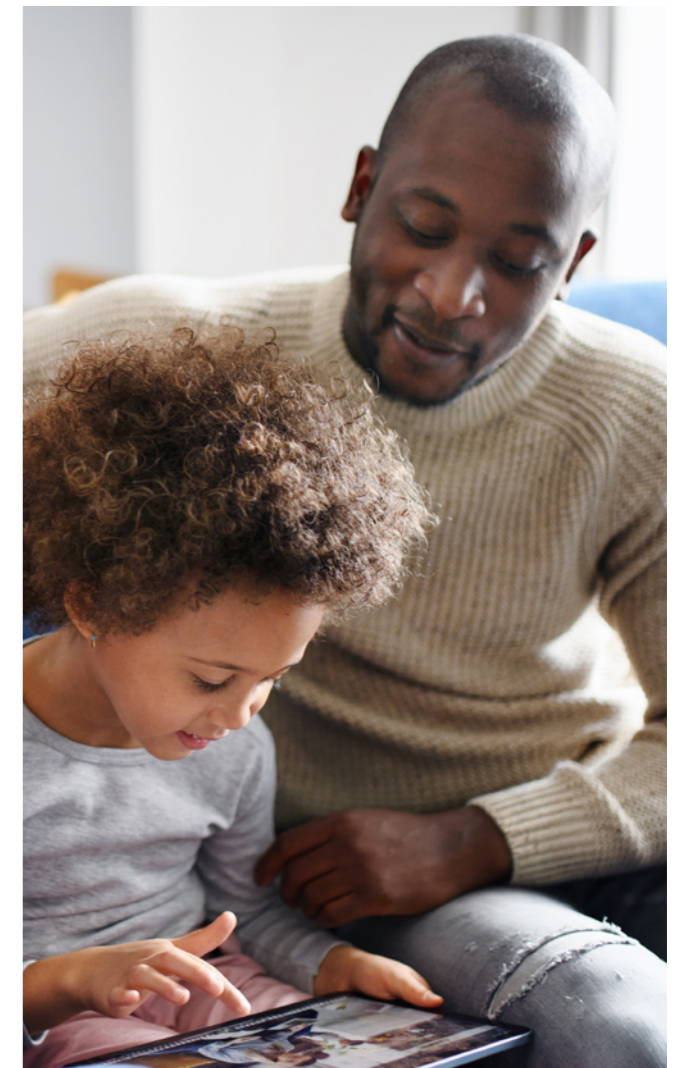
### What costs do I need to pay?

Abri charge an administration fee - for the current fee's, please refer to the 'Fees Schedule'. You will also have your own solicitor costs to pay and depending on how you are financing your redemption, you may have mortgage associated costs (early redemption fee, product fees etc). Please make sure you check this.

### How will the loan be calculated?

The loan was given as a percentage of your property's value. The amount you repay is based upon the market value of your home at the time of your redemption, not it's original value from when you purchased the property.

For example, if your property is now valued at £220,000 and you had a 25% loan, your redemption figure would be £55,000.



## GET IN TOUCH

0800 145 6663

[abrihomes.co.uk](http://abrihomes.co.uk)

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