

GET HELP WITH ENERGY IMPROVEMENTS AND REPAIRS TO YOUR HOME



WITH THE HEEPS EQUITY LOAN SCHEME

If you own a property in the Western Isles council area, you could be eligible for a new kind of home improvement loan from the Scottish Government.

THE HEEPS EQUITY LOAN LETS YOU:

- **INSTALL ENERGY EFFICIENCY MEASURES;**
- **INSTALL RENEWABLE TECHNOLOGIES; AND**
- **MAKE ESSENTIAL REPAIRS TO THE FABRIC OF YOUR HOME.**

With the HEEPS Equity Loan, there are no monthly repayments. Instead, the loan is secured against your property. This means it could benefit people on lower incomes with large repair bills.

The HEEPS Equity Loan is delivered by Energy Saving Trust in partnership with Care and Repair.

Find out more, including how to apply, inside.



WHO CAN APPLY?

To qualify, your property must be in the Western Isles council area.

If you're an **owner occupier**:

- your property must be in council tax band A-C; **or**
- you or a permanent resident must be receiving certain benefits.

If you're a **private sector landlord***:

- the property must be in council tax band A-C; **or**
- your tenant must be receiving certain benefits.

*A private sector landlord must be a 'natural person'. This means you must be an individual, not a legal entity (like a business). You must also have no more than two properties to rent.

WHAT CAN THE LOAN PAY FOR?

You must use at least 55% of the loan for energy efficiency improvements, while the rest can be used for repairs. The loan could cover things like:

Energy efficiency improvements	Repairs*
Central heating (for example gas, oil or LPG)	Repairs to the roof structure
Renewable technologies (for example solar PV systems, biomass fuel systems)	Removing rot infestations
Insulation (for example in lofts, walls, or floors)	Preventing rising damp
Glazing (for example double, triple or secondary)	Repairing rainwater goods (for example guttering)

*If the repair reduces heat loss or dampness in the property, it can be classed as an energy efficiency improvement.



HOW DOES AN EQUITY LOAN WORK?

An equity loan lets you borrow against the value of your home. You only repay it when you sell the property or the last applicant dies.

There are no ongoing repayments and the amount you pay back depends on:

- how much you borrow; and
- your property's value when the time comes for you to pay back the loan.

The most you can borrow is £40,000, or 50% of the property's estimated market value – whichever is less. You must also retain at least 30% equity in the property. There's a repayment cap which makes sure that, if house prices increased sharply, you wouldn't pay back excessively more than you borrowed.

The amount you do pay back is either:

- the Scottish Government's agreed equity share of the property's sale price; **or**
- the loan amount, based on 2.5% APR for the loan's length

– whichever is less.

So, if your home's value increased quickly over a short period of time, you would only repay a maximum of 2.5% APR of the original amount you borrowed.

REPAYMENT EXAMPLE

- You borrow £10,000. Your property is worth £100,000.
- The Scottish Government will have a 10% stake in your property.
- If you sell your property in five years for £105,000, the 10% equity stake would now be worth £10,500.
- You will simply pay back 10% of the sale price, or £10,500.

WHAT TO DO NEXT

If you'd like to apply, call Home Energy Scotland on 0808 808 2282. Our advisors will:

- check if you are eligible;
- arrange for you to be sent an application pack; and
- answer any other questions you may have.



Loans are administered by the Energy Saving Trust. Successful loans are subject to an administrative fee. SC267 © Energy Saving Trust, February 2017.

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Home Energy Scotland advisors are available Monday – Friday 8am to 8pm, and on Saturday from 9am to 5pm.