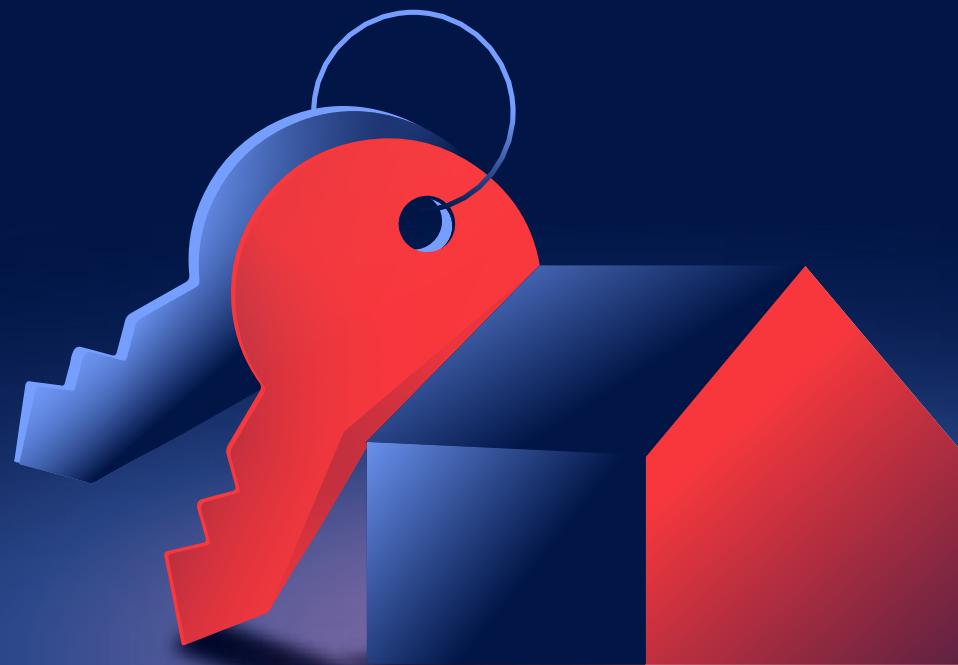


Building society one new home at a time.

Our New Build guide for intermediaries.



Welcome

We've continuously supported the New Build sector for well over a decade now, and are uniquely positioned as the only lender with a team of property risk experts, gathering insight and understanding the latest trends on construction and planning.

Specialism in New Build remains key given the complexity, that's why our proposition has developed over a great number of years with the intent of providing the very best support to our brokers, from BDMs in the field, to a dedicated New Build support team and New Build case owners.

We want to share some of that insight and experience in this guide dedicated to New Build, which we hope will become your valuable go-to resource. If you're interested in finding out more, we'd love to hear from you.



Andy Dean, Head of New Build

New Build definition

Different lenders will have varying criteria as to which properties sit under the definition of a New Build property. At Nationwide, we define a 'New Build' as a property that has been built, converted or refurbished within the last two years. This includes properties being bought off-plan and those that have been occupied or rented, but are still in the ownership of the builder or developer.

Why choose Nationwide

How we support the New Build market

At Nationwide, we want to do everything we can to support you and your clients buy the perfect New Build home. Here's a few ways we can help:



Valuations

We instruct your New Build valuation the day we receive your application and we offer free standard valuations on our products.



Dedicated support

Our specialist New Build support teams and case owners are on hand to answer any of your New Build questions.



Deposit Unlock

Your first-time buyers and home movers may be able to borrow between 90.01-95% LTV to purchase their New Build home with this scheme. Find out more about [Deposit Unlock](#).



Help to Buy equity loan support

Your remortgage clients will be able to capital raise up to 85% LTV for the sole purpose of paying off a Help to Buy equity loan in full, helping them on their way to full home ownership.



Offer validity

Offers are valid for 180 days, however we'll consider extending this by 45 days, subject to eligibility.



Affordability

Find out how much your client may be able to borrow by using our online [affordability calculator](#).

Loan to value

	Maximum LTV
New Build flats	75% LTV
New Build houses	85% LTV
New Build houses & flats (Deposit Unlock)	95% LTV

*Subject to valuation confirmation. We'll confirm to you that we've extended the offer.

Housing schemes

Deposit Unlock

We're proud to participate in **Deposit Unlock**, to make buying a New Build home more achievable for your clients.

With a Nationwide mortgage and using Deposit Unlock, your clients could:

- Buy a New Build home with just a **5% deposit**
- Borrow for up to **40 years**.
- Borrow up to **£750,000**
- Borrow between **90.01%** and **95%** of the property value

The scheme supports both first time buyers and home movers with a low deposit to buy a New Build. It's exclusively for New Build homes with developers participating across England, Wales, Scotland and Northern Ireland.

If you'd like to see a list of participating builders, please check the [Home Builders Federation website](#).

First Homes

First Homes are discounted market sale housing in England which has been developed by the government. The First Home:

- Must be discounted by a minimum of 30% against the full market value
- Must be sold to a person/persons meeting the First Homes eligibility criteria
- On their first sale, will have a restriction registered on the title at HM Land Registry. This is to ensure the discount and other restrictions are passed on at each subsequent title transfer
- After the discount has been applied, the first sale must be at a price no higher than £250,000 (or £420,000 in Greater London).

To check eligibility for First Homes and how to apply, go to our [housing schemes page](#).

Shared Ownership

Shared Ownership is where your clients can buy a share of a home (minimum of 25% of the home's value) and usually pay rent for the remaining share. This could be an option to get on the property ladder if they can't afford to buy a property another way. They could buy a larger share later at a price based on the value of the property at the time, this is called 'staircasing'.

In England, Wales and Northern Ireland they'll own their share as Leasehold under the terms of a Shared Ownership lease.

In Scotland, they'll enter into an Occupancy Agreement with the Housing Association who owns the remaining interest, to allow them to occupy the whole property and pay an Occupancy Payment.

Find out more on our [Housing Schemes page](#)

Forces Help to Buy

This scheme helps armed forces personnel get on the property ladder by enabling them to borrow up to 50% of their salary to go towards a deposit to buy their first home or move to another property. This is all interest free.

All service personnel can borrow up to £25,000, which can be used towards a deposit of a new home or solicitors and agent fees. The loan is paid back over ten years through their monthly salary.

All regular service personnel can use the scheme, who:

- ✓ have completed the pre-requisite length of service
- ✓ have more than six months left to serve at the time they apply
- ✓ meet the right medical categories.

Visit the [Government's website](#) for more information.

Before applying your client should apply for a Forces Help to Buy loan. If they're accepted, they'll be given a personal information note (PIN) by the MOD with details of the loan.

Help to Buy Equity Loan

The deadline for Help to Buy Wales applications is on 31 March 2025. The deadline for completion is on or before 22 December 2025.



See our [New Build hub](#) for more information.

Construction

Traditional construction

The majority of New Build homes are constructed using traditional, tried and tested methods, for example cavity brick/block and timber frame. High rise flats are usually constructed using concrete, steel frames and different forms of roof cladding (as opposed to the more standard tile and slate). All these methods are acceptable to Nationwide.



Please contact the **New Build support team** if you have any queries.

Modern Methods of Construction

An increasing number of homes in the UK are being built using innovative materials and methods such as factory manufactured “pods”, steel and timber frames, roof and floor “cassettes”, 3D printing and changes to on-site processes. These are referred to as Modern Methods of Construction (MMC).

Many properties built using MMCs are acceptable to Nationwide, subject to our criteria. Our valuers will assess these on a case by case basis. We need to be sure that new methods of construction are sufficiently durable, easily maintained and will remain readily saleable in order to protect our members. Where a property is known to incorporate MMCs, you can check our **New Build site list** to see if the site has already been assessed. Or contact the **New Build support team** with as much information as possible, including:

- Name/type of system and details of the developer
- Warranty and whether it has **Build offsite Property Assurance Scheme (BOPAS) accreditation**
- Details of roof and cladding materials and confirmation of 30 year design life for those elements.

Office to residential

At Nationwide, we recognise that office to residential conversions are important to the new housing market. We'll consider them subject to certain criteria, such as design (appearance/internal layout/planning etc), tenure and lifespan and the following:

Location

- A suitable mix of residential use within the area
- Sufficient residential infrastructure within the immediate area, for example, access to amenities/shops/schools/transport
- Sustainable demand in a re-sale market place for home ownership
- Any property forming part of a business/commercial/industrial/retail area aren't usually accepted.

Construction

- A suitable and acceptable warranty is required – see our **acceptable building warranties** for more information.

Lease terms

- See our minimum leasehold terms and ground rent on our **New Build hub page**.

Quality of conversion

- Structural integrity
- The external appearance of the structure, and whether it's been updated or modified to give the appearance of a residential building
- Fire safety and regulations should be complied with, particularly around the use of certain external cladding/insulation materials on high rise buildings, see below.

You can check our **New Build site list** to see if we've already assessed the site. We have detailed information on fire safety on our website, which you can find **here**.

Builder deposits, cashback and incentives

The value of all incentives must be declared on the [UK Finance Disclosure Form](#) and the current version of the form must be used.

Standard purchase cases

(including Shared Ownership)

- Builder deposits, cashback and any other financial incentives listed in Section 7 of the UK Finance Disclosure Form are acceptable on standard New Build purchases
- The maximum total value allowed is 15% of the purchase price or valuation*. If the total value is more than 15% of the purchase price or valuation*, the case will be declined
- Where the total value of financial incentives is more than 5% of the purchase price or valuation*, we'll deduct the amount above 5% from the purchase price and base our lending on the reduced figure. Where it's less than 5%, we base our lending on the lower of the full purchase price or value.

Equity loan cases

- Builder deposits and cashback are unacceptable on New Build equity loan cases
- Other financial incentives listed in Section 7 of the UK Finance Disclosure Form are acceptable up to a maximum total value of 5% of the purchase price or valuation*
- We base our lending on the lower of the full purchase price/value or valuation*
- Your client must provide a minimum 5% deposit from their own resources (this can include gifted deposits).

Builder non-financial incentives

- Builder non-financial incentives (for example kitchen upgrades, fitted appliances, home fittings/furnishings, flooring, garden landscaping etc) are accepted on all New Build applications in addition to financial incentives.

Vendor cashback

- We accept vendor cashback and we deduct the value of the vendor cashback from the purchase price or valuation*.

Deposit Unlock

- Deposit Unlock is a scheme which allows First Time Buyers and home movers to borrow 90.01-95% Loan to Value (LTV) on New Build properties.
- The scheme supports both First Time Buyers and home movers with a low deposit to buy a new-build property.
- The scheme is exclusively for new-build homes with participating developers across England, Wales and Scotland. Please note, the builder must approve the use of Deposit Unlock before proceeding with the application.



See our [New Build hub](#) for more information.

Builder deposits, cashback and incentives

Building warranties

When a new property is built, the developer will provide a guarantee to ensure the building has been constructed to a standard set by the warranty provider. This is to ensure that any issues related to the property post-completion are covered by an insurance policy. It's unlikely that any mortgage provider will lend on a property without a warranty.

Building warranties we accept include:

- ✓ NHBC
- ✓ LABC
- ✓ Premier Guarantee
- ✓ BLP
- ✓ Build-zone
- ✓ Checkmate's Castle 10
- ✓ Build Assure (New Home Structural Defects Insurance)
- ✓ Global Home Warranties (Structural Defects Insurance)
- ✓ The Q Policy for Residential Properties provided by Q Assure Build
- ✓ The Q Policy for Bespoke Properties (detached only) provided by Q Assure Build
- ✓ Protek
- ✓ Advantage
- ✓ International Construction Warranties (ICW)
- ✓ Ark Residential New Build Latent
- ✓ Defects Insurance
- ✓ Homeproof (formally Aedis)
- ✓ One Guarantee
- ✓ ABC+
- ✓ CADIS
- ✓ TMSC
- ✓ CRL - This company is no longer issuing policies. However, we will accept their new build 10 year structural defects insurance policy providing:
 - The final certificate is dated 4/9/2019 or earlier, and the underwriter is International General Insurance Company (UK) Ltd (IGI) or CGICE
 - The final certificate is dated 5/9/2019 or later, and the underwriter is International General Insurance Company (UK) Ltd (IGI) and the final certificate has been signed by Ark Insurance Group Ltd

- ✓ Professional Consultant's Certificate (PCC) issued by an Architect/Surveyor. The Certificate is checked by the solicitor and must comply with the requirements of the UK Finance Lenders Handbook PCCs are acceptable for newly built homes within a development of not more than 10 units, and if within a continuous structure (for example, a row of terrace houses or block of flats) a maximum of 4 units within the structure.

- ✓ A PCC is also required for newly converted or recently significantly altered or refurbished homes.
- ✓ Retrospective certificates by a professional who has not supervised the project from the start and inspected the build at regular intervals are not acceptable.

We don't accept the following warranties:

- ✗ Fair Trade Deal
- ✗ Latent Defects Insurance Policy with Aviva (Formerly Norwich Union)
- ✗ CRL underwritten by Alpha Insurance
- ✗ CMLC



See our **New Build hub** for more information.

Valuations

Valuation process

When visiting a new site, the Valuer will make an appointment via the sales team. Once on site the Valuer will request access to the property to be valued. If access is available, the property will be fully inspected as per the usual residential inspection methodology.

Additionally, the Valuer will request a copy of the fully completed **UK Finance Disclosure Form**, from the sales team along with floor plans for the property and confirmation of the property's position and surroundings within the development.

The Valuer will also request details of comparable on-site sales transactions as part of the wider valuation process.

If access is not available to the property due to build stage or health and safety reasons, the Valuer will nonetheless follow the remainder of the process above. In all cases, if the **UK Finance Disclosure Form**, is not available the Valuer will return a nil valuation to the lender pending receipt of this document.

New Build site opening times

It's important to keep opening times in mind when considering the turnaround of New Build valuations. Many developers close their on-site sales offices on a Tuesday and Wednesday so often it won't be possible to book valuations for those days. Additionally, it is relatively common for site sales teams to hold late opening days on a Thursday, meaning some sales offices may not open until early afternoon which may impact the booking of New Build valuations.



We now have quicker timescales to carry out New Build valuations. We'll use information from earlier site visits to value New Build houses which have suitable warranties, without the need to visit the site.

Did you know? We offer a free standard valuation on our products

Placing business with Nationwide



Step 1

Start by using our [affordability calculator](#).



Step 2

Check our [New Build site list](#) which will show if a site is over exposed or closed to new Nationwide lending.



Step 3

Take a look at our products and [lending criteria](#).



Step 4

Use [NFI Online](#) to submit your application.



Step 5

Ensure all proofs that have been asked for are provided. Check out our [packaging support guide](#).

Top Tip: Don't include anything we haven't asked for.

Top Tip:

- Ensure the UK Finance Disclosure Form has been made available to the valuer upon inspection
- Don't include anything we haven't asked for

New Build support

Here at Nationwide, we have dedicated teams ready and waiting to support you and answer your queries. Getting your client a mortgage quickly and easily is important to us.

Before you apply...

If you need help with a New Build application, talk to our dedicated New Build Support team. They're on hand to answer your pre and post application queries about:

- New Build lending criteria
- New or urgent cases
- Sites nearing exposure limits.

The team work closely with valuers and underwriters to ensure your application runs smoothly. They also understand how busy builders' year end and half year is, so the team are here to support you at this time.

The team is available from 9.30am-5pm Mondays and 9am-5pm Tuesday-Friday (except bank holidays).

Contact them by emailing:

Intermediary. Relationships Newbuild@nationwide.co.uk

or calling **0345 607 2245**.

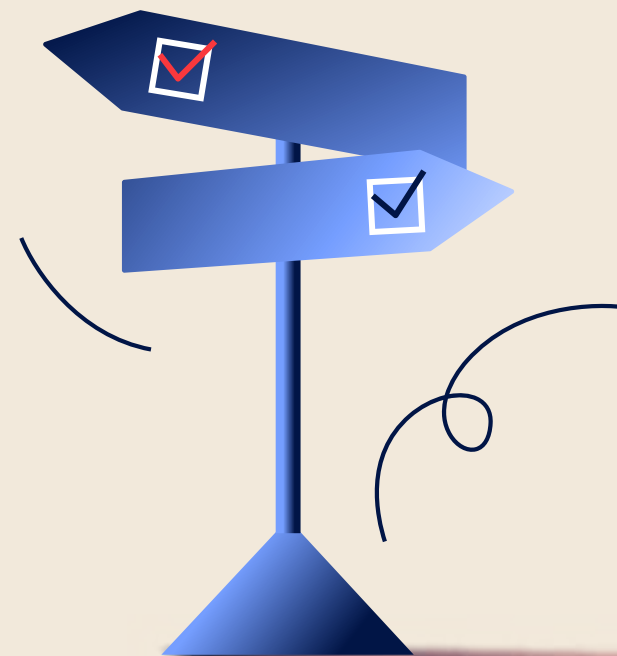
After submitting your application...

If you need support with a submitted application, our specialist New Build case owners can help you.

They're solely focussed on New Build cases, so have all the experience and knowledge to ensure your case goes through quickly and smoothly.

One of the team will personally own your case, providing you with one-to-one support, from full mortgage application to offer.

You can get a case update by calling: **0345 730 2011** from 8am-6pm Monday to Friday.



Useful links

Here's some links that you or your clients may find useful:

- MoneyHelper: moneyhelper.org.uk/en
- Stamp duty: gov.uk/stamp-duty-land-tax

Our New Build hub has information to support you including criteria, help videos and printable guides.

nationwide-intermediary.co.uk/new-build-hub

For more information contact our dedicated
New Build support team

Call **0345 607 2245**

Email **Intermediary.RelationshipsNewbuild@nationwide.co.uk**

Visit **nationwide-intermediary.co.uk/new-build-hub**

For Intermediary use only.

Nationwide Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under registration number 106078.
You can confirm our registration on the FCA's website **www.fca.org.uk**

Correct at time of print.

F1316 (10/23)