

## Help to Buy ISA versus Lifetime ISA: The basics

	Help to Buy ISA	Lifetime ISA
Who can open one?	UK residents over the age of 16 looking to buy their first home	UK residents aged 18-39
What is the maximum amount I can contribute?	Initial lump sum of £1,200, then max monthly payments of £200	£4,000 per year
When are the 25% government bonus payments added?	Once property transaction is completed	Bonus payments are added monthly
When do the 25% bonus payments stop?	Once property transaction is completed	Bonus additions stop at age 50
Does it have to be a cash ISA?	Yes	No, you can invest in cash or stocks and shares
What is the maximum price of the house it can be used for?	£250,000 (£450,000 in London)	£450,000
Can the bonus payments be used for the initial deposit on exchange of contracts?	No, bonus payments can only be claimed once property transaction is completed and will contribute to overall deposit for house	Yes, bonus payments can be used at exchange or completion for your first home
How long do I need to have one before I can use it to buy a house?	Must have saved £1,600 (3 months of maximum contributions)	1 year
What happens if I don't use the money for my first home?	You will not receive the 25% bonus payment from the government.	The money, including bonus payments, can be used for a first home or retirement or both. If you don't use it for either, you won't receive the bonus payments and may be subject to further penalties.