

Rent to Buy

YOUR GUIDE TO THE RENT TO BUY SCHEME

sales@platformhg.com | platformhomeownership.com

RENT TO BUY

Your Guide to the Rent to Buy Scheme

- 3 WHAT IS RENT TO BUY?
- 4 RENT TO BUY ELIGIBILITY
- 5 READY TO APPLY?
- 6 FREQUENTLY ASKED QUESTIONS

What is Rent to Buy?

Rent to Buy is a government scheme designed to help you own your home. The scheme allows you to rent your home at approximately 20% less than privately renting. This provides you with the opportunity of renting whilst saving towards your deposit and own you own home in the future.

With Rent to Buy, you move into your new home and rent the property on an Assured Shorthold Tenancy basis for a period of five years. During this time, you'll pay a reduced rent of just 80% of the full open market rent value. You can purchase your home from us on a Shared Ownership basis during years one to five, or on an outright basis at the end of the five-year term.

Rent to Buy Eligibility

There's a small criteria you will need to meet in order to be eligible for Rent to Buy. Including:

1

REGISTERED WITH HELP TO BUY

2

A WORKING HOUSEHOLD

3

HAVE GOOD CREDIT HISTORY

4

NOT CURRENTLY OWN A HOME

Ready to Apply?

1. Register with Help to Buy
2. Send your Help to Buy reference, application form, ID, 3 months bank statements and pay slips (or P60) to sales@platformhg.com
3. We will then require your consent to pass your details to a third party letting agent to carry out a credit reference check
4. Once passed, we will then send you an offer letter for your chosen plot where possible*
5. Options Agreement signed
6. Arrange a viewing
7. Tenancy sign up paperwork completed
8. Deposit - you will be required to pay the equivalent of five weeks rent as a deposit, which will be protected within the DPS scheme.
9. Rent – You will be required to pay the rent for the remainder of the month from your tenancy sign up date and one months rent in advance.
10. Move in day – you get the keys!

*Properties will be allocated on a first come, first served basis. In the event of multiple applications, we may also need to consider housing need.

All applicants applying for Rent to Buy will be financially assessed and required to enter into a Rent to Buy Options Agreement, confirming their intentions to use the benefit of the five-year reduced rent period to help them save towards a mortgage deposit. This will be monitored and assessed on a yearly basis throughout the five-year term.

To abide by the statutory requirements for renting property in the UK, all applicants over the age of 18 will be subject to the following checks:

- Credit referencing to confirm that you have an adequate credit score to obtain a mortgage during the five-year period to purchase the property. Please be aware that we will be unable to proceed with your application if you're subject to any Bankruptcy or County Court Judgements (CCJs) issued within the last three years.
- A Right to Rent check and fraud prevention checks to confirm that you have a legal right to rent a property in the UK. You will need to provide valid proof of your current address and photographic ID.
- An employment reference and confirmation of the monthly household income.
- A reference from your current landlord or letting agency (if applicable).

Please note that these are likely to be carried out by a third party acting on behalf of Platform Housing Group. There will be no cost to you for these checks.



Frequently Asked Questions

CAN EXISTING HOME OWNERS APPLY FOR RENT TO BUY?

Home Owner's returning to the market due to exceptional circumstances, such as a relationship breakdown that can't afford to buy a home on the open market will be eligible.

WILL THERE BE A SERVICE CHARGE?

Under your rent to buy agreement, the service charge is inclusive of your rent.

Once you purchase your home in the future on either an outright or shared ownership basis, there may be a service charge payable which will be discussed with you at the time.

WHAT TYPE OF TENANCY AGREEMENT IS RENT TO BUY?

An Assured Shorthold Tenancy will be granted, which will run on a periodic basis.

HOW LONG IS THE TENANCY AGREEMENT FOR?

The agreement will be for a minimum period of 12 months and a maximum period of five years.

WHAT UPFRONT COSTS ARE INVOLVED?

You will be required to pay:

Deposit - you will be required to pay the equivalent of five weeks rent as a deposit, which will be protected within the DPS scheme.

Rent - You will be required to pay the rent for the remainder of the month from your tenancy sign up date and one months rent in advance.

You will also be responsible for all utility bills associated with the property for the duration of your tenancy. Including council tax, water, gas, electric, TV, Wifi etc.

CAN I END MY TENANCY?

Yes, If or when you decide to end your tenancy, we will ask you to give us one calendar month's notice as a minimum. This will need to be given in writing.

WHAT IS AN OPTIONS AGREEMENT?

This agreement is signed at the start of your tenancy confirming your intentions to save for a deposit and purchase the property in the future where financially possible.

Frequently Asked Questions

CAN I SUBLET?

Sub-letting is not permitted.

CAN I DECORATE OR MAKE IMPROVEMENTS?

Please contact us to request permission for any works.

CAN I KEEP PETS?

Please contact us to request permission for pets. This may depend on the property type.

WHO CARRIES OUT REPAIRS?

As your landlord, Platform Housing Group will carry out repairs and defects in your property; these can be reported directly to us. Please note we will not cover any damage.

CAN I BUY MY HOME BEFORE YEAR 5?

We may be able to sell your home on a shared ownership basis before year 5.

WHAT HAPPENS AT YEAR 5?

We will discuss all housing options with you at the time.

We would expect to sell the home to you as you have been able to save for the deposit required after the expiration of the five year rental period either on an outright or shared ownership basis.

This will be 5 years from the build completion date, not necessarily 5 years from when your tenancy started.

If you'd like to buy your home, you need to contact us and obtain a RICS valuation (at your own cost). We'd need to ensure the value is higher than quoted in your original Options Agreement before agreeing to the sale.

Platform Housing Group has the right to continue your tenancy after this date (this does not supersede the statutory legislation contained within your tenancy agreement). We also reserve the right to consider renting your property at full market rent.

If you decide to purchase the home, it will be at the current market value at the time of wanting to buy, not from when you initially started your tenancy.