Affordable Housing
Your guide to the Rent to Buy Scheme
If you need this document in another format please contact us.
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What is the Rent to Buy Scheme?

We occasionally have properties available to rent on a short term basis with the intention of you being able to buy the property at a later date through the Shared Ownership scheme. The rent you will pay is an 'affordable rent' and represents approximately 80% of the market rent. This means that the rents, and any rent increases, are above our normal social rent levels but below market rent (rent paid to a private landlord). For example, if the market rent is £100 a week you will pay £80 a week.

This will allow you to rent the property at a discounted rent which will help you to save a deposit to buy the property at a later date wherever possible.

The Rent to Buy Scheme is a great option for people who are considering making a commitment to enter home ownership through low cost home ownership products in the short to medium term.

You may be having difficulty, getting a mortgage in the current economic climate and not have enough savings for a deposit to buy through the Shared Ownership scheme at this time. The Rent to Buy Scheme provides a stepping stone from renting to buying the property at a later date (terms and conditions apply).

We will decide when to convert the property to Shared Ownership or you can ask us if you find you are able to purchase your first share.
About your tenancy

The properties are offered on an Assured Shorthold Tenancy Agreement.

When we consider the market conditions to be right for selling, you will be offered first refusal to buy a share in the property providing you:

• are not in breach of your tenancy agreement; and

• can afford to do so (terms and conditions apply).

If you are not in a position to buy the property, your tenancy may end and you will have to move out of the property.

Or

When you find you are in a position to purchase your first share in the property you can contact us for more information and guidance.

Who is eligible to apply?

If you are interested in this scheme you will need to make sure that you are eligible to do so.

To be eligible for the scheme you need to:

• be 18 years or over;

• have a total household income of less than £80,000 and must be unable to afford to buy a suitable property on the open market without help;

• be in full time employment and be able to afford 80% of the local market rent without further help, that means you are not claiming any Housing Benefit;

• have your application initially assessed by the local Help to Buy agent Help to Buy NEYH;

• be able to make a commitment to enter home ownership through the low cost home ownership for a minimum of two years and be able to demonstrate how the discounted rent will help you to save for the deposit; and

• be able to pass a credit check.
You will need to complete an online application from the local Help to Buy agent, and you can do this by going to their website at www.helptobuyneyh.co.uk.

If necessary a paper application form can be requested by contacting us by email at homebuy@wdh.co.uk or by phone on 0345 8 507 507.

They will assess your application and notify you if your application has been approved.

Once approved we will carry out an affordability assessment to make sure that you can afford the rent and that a suitable size property is available for your needs (terms and conditions apply).

This leaflet has been produced to provide a general guide to the Rent to Buy Scheme.
How much would I need to save for a deposit to buy through the Shared Ownership scheme?

The chart below gives an indication of monthly savings required to meet a 5% to 15% deposit required by mortgage lenders for Shared Ownership mortgages.

<table>
<thead>
<tr>
<th>% Deposit</th>
<th>Market Value</th>
<th>Shares</th>
<th>Two Year Monthly Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>5%</td>
<td>£100,000</td>
<td>50%</td>
<td>£104.16</td>
</tr>
<tr>
<td>10%</td>
<td>£100,000</td>
<td>50%</td>
<td>£208.33</td>
</tr>
<tr>
<td>15%</td>
<td>£100,000</td>
<td>50%</td>
<td>£312.50</td>
</tr>
<tr>
<td>5%</td>
<td>£125,000</td>
<td>50%</td>
<td>£130.21</td>
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<tr>
<td>10%</td>
<td>£125,000</td>
<td>50%</td>
<td>£260.42</td>
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<td>50%</td>
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<td>50%</td>
<td>£312.50</td>
</tr>
<tr>
<td>15%</td>
<td>£150,000</td>
<td>50%</td>
<td>£468.75</td>
</tr>
</tbody>
</table>

In addition to the deposit, potential buyers will need approximately £2,500 to cover the costs of buying a new home.
For further information please see the Shared Ownership brochure on our website or contact us to request a copy.

WDH
Merefield House
Whistler Drive
Castleford
WF10 5HX

0345 8 507 507
Homebuy@wdh.co.uk
www.wdh.co.uk

For further information about the range of schemes available through the Affordable Housing Programme visit www.helptobuyneyh.co.uk

Help to Buy NEYH is the Government’s Help to Buy agent for the North East, Yorkshire and Humberside and will initially assess your application and eligibility for the scheme on our behalf.

You can visit their website at www.helptobuyneyh.co.uk
Vision

to create confident communities

Mission

to inspire, transform and promote excellence

Values

to be creative, inclusive and work with integrity

delivering promises, improving lives