

# RTB

Rent to Buy



## Rent to Buy

The Rent to Buy scheme is a discounted rent then buy scheme, offered to support our customers in getting onto the property ladder.

**gentoo**

# What is Rent to Buy?

With Rent to Buy, you can move into your new home now and rent the property for five years. During this time, you'll pay a reduced rent of 80 percent of the full open market rent value. You can purchase your home from us on a Shared Ownership basis, or on an outright basis at the end of the five years.

## Who is eligible?

- The property must be your only home.
- At least one member of your household needs to be in paid employment.
- The rent should be between 25% - 45% of your household income.
- You must have the right to rent in England.
- You must earn the minimum income required for the home to make sure it's affordable for you, however there's no maximum income cap for the scheme.

If you do already own a home you could still be eligible in some circumstances - if you're not living in your home due to relationship breaking down for example. Contact us to find out more.

## Apply in three simple steps

1. Fill in the Rent to Buy application form and return it to us.
2. A Financial Advisor will get in touch and will need some documents from you.
3. Once you're financially approved, you can pick your new home!

**If you're a couple, then you'll need to apply as a joint tenancy and be assessed together. Any resident aged over 18 can be assessed.**

## What we need from you:

- If you are employed: your last three-monthly salary slips (or six weeks if you get paid weekly).
- If you are self-employed: your last three years of your accounts/ SA302s.
- Proof of ID: passport/driving licence.
- Last three months' bank statements for all of your accounts.

## You'll also need:

- Proof of employment, such as your annual salary or gross self-employed earnings.
- Information on any overtime, bonuses or commission you earn.
- Information on any payslip deductions such as childcare, pension etc.
- Information on any monthly commitments such as loans, credit cards or hire purchase agreements you may have.
- Information on any credit card balances.
- You may be asked to provide credit reference files from Experian & Equifax.

**Once the application process begins, you have five working days to provide us with all the above.**

### **If you're worried about your credit rating affecting your application, here's what you need to know:**

Any live CCJs or CCJs which have been settled in the last 12 months would generally not be accepted. However, there are circumstances where CCJs can be settled and we can get you onto our Rent to Buy scheme.

If you're in an IVA/DMP, the outcome depends on the conditions of your agreement and the remaining term. The current stance from the lenders is that if you are currently in an IVA/DMP, you will not be accepted for a mortgage. If you are looking to move to Shared Ownership after 12 months or to purchase in full after five years, the remaining term of the agreement becomes crucial.

If you have defaults on your accounts, they will need to be addressed. If there are numerous defaults over a number of years, you may not qualify due to spending habits.

Applicants from outside of the EU should have UK residency. Applicants from elsewhere may experience issues regarding residency and qualification.

## Useful information

If the information you submit on your application form is incorrect or cannot be evidenced, your application will be declined and you will be unable to re-apply.

We cannot hold a property for you, but you can choose from what is available once your application is successful.

You will pay a bond plus one month's rent at sign up.

You'll be signing up for an assured shorthold tenancy.

The majority of properties are not carpeted. Flooring is provided in the kitchen, W.C, utility room and bathroom.

A member of our Leasehold Team will contact you every year to see how you are managing the property and to see if you have made the decision to fully purchase the property.



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