

Your guide to:

Intermediate Rent and Rent to Buy



Great homes,
positive people,
strong communities

origin  HOUSING

Contents

What is Intermediate Rent?	1
How does Intermediate Rent work?	2
Our Equal Opportunities Policy	5
Our Service Promise	6



What is Intermediate Rent?

Intermediate Rent (IR) allows you to rent a brand new or refurbished home at less than the market rent.

The rent you would pay is normally 20% lower than what you would expect to pay for a similar home in a similar area if you were renting from a private landlord.

In the past, the IR scheme has only been available to key workers (vital public-sector employees such as NHS nurses and doctors, police officers and teachers in state schools). However, because of the current economic climate, this scheme is now available to other people who cannot afford to buy a home of their own.

The IR scheme is also a great option for people who are not ready to commit to buying a home, who are having difficulty getting a mortgage or who cannot save up a deposit to buy through our affordable home-ownership schemes.

Rent to Buy

Rent to Buy is a stepping stone into Shared Ownership.

Rent to Buy is a scheme offering specific homes to rent on an Intermediate Market Rent basis for a fixed period of time (e.g. 5 years) with the opportunity to purchase under Shared Ownership.

As this scheme is designed to be the first step onto the property ladder you cannot own another property or land in the UK or abroad.

Applicants have to be able to afford the minimum share of 25% and should be able to provide justification as to why you cannot purchase at this time. It may be because you do not have enough deposit and by renting a



property at 20% less than local market rents it will assist you to save. The property you choose to rent under this scheme must be a property you are looking to purchase within 5 years.

You can purchase the home at anytime during the tenancy but you will require a deposit of approximately 10% of the share you are purchasing and savings for legal fees of around £2,000.

When you come to purchase the property you must meet the current HomeBuy eligibility criteria and you must also maximise your mortgageability.

If you cease to meet the HomeBuy criteria in most cases you will be asked to vacate when your tenancy expires.

Please also refer to information on intermediate rent and shared ownership for this product.

How does Intermediate Rent work?

Eligibility

You qualify for the Intermediate Rent scheme if:

- your household's income is no more than £60,000 a year;
- you cannot afford a suitable home through one of the low-cost home-ownership schemes or on the open market;
- you are a first-time buyer, or a homeowner who needs to move because of a change in your family's circumstances (in which case you must sell your existing property);
- you are employed or self-employed and earning an income that allows you to pay the rent and related costs for the property; and
- you could buy under the Shared Ownership scheme if market conditions were different.

To apply for a home through the IR scheme, contact the HomeBuy agent for your area. You can find details of your local or regional HomeBuy agents on the website at www.direct.gov.uk. You can find details of the homes available and other affordable housing options on our website at www.originsales.co.uk.

Costs

When you choose a home, to reserve it you will need to pay us a reservation fee of £175. This is for administration and inventory check at sign-up.

If you think you have a poor credit history, speak to one of our staff before you reserve a home.



We will take the rest of the reservation fee off the rent you must pay up front when you sign your tenancy agreement.

About your tenancy

Your tenancy will be an 'assured shorthold tenancy' for a fixed period of 12 months.

With an assured shorthold tenancy, you may continue to live in the home for the full 12 months as long as you do not break the terms set out in your tenancy agreement.

Your tenancy agreement will set out your and our rights. It will contain details such as the length of the tenancy, the rent, and what is and isn't allowed in the property.

Following sign-up of your tenancy your rent will be collected by Direct Debit on the 1st of each month.

Inventories

The homes we offer will be in excellent condition, with carpets and fitted appliances. To make sure that you look after your home and keep it in a good condition, we will ask you to sign an inventory. The inventory is a legal document and forms part of the tenancy agreement.

The inventory will list the condition of everything included in the property. This includes the doors, ceiling, walls, light fittings, flooring, carpets, smoke detectors, door frames, cupboards, door handles, extractor fans and heating appliances to name but a few.

When you decide to leave the property, we will check the condition of the items against the original inventory. If you leave the property in poor condition, we can use your deposit to pay towards the cost of repairs.

Rent deposit scheme

As part of the Housing Act 2004, the Government introduced the rent deposit scheme to protect the deposits paid for all assured shorthold tenancies in England and Wales. From 6 April 2007, all deposits paid will be protected within 14 days of them being paid. This can be up to 6 weeks rent.

The rent deposit scheme aims to make sure that if a tenant has paid a deposit and is entitled to get all or part of it back at the end of that tenancy, they will actually get it back.

When you pay your deposit we will hold it in the rent deposit scheme so it is safe and you can get it back at the end of your tenancy if you are entitled to it.

For more information about the rent deposit scheme, visit the website at www.depositprotection.com.



Moving into your new home

Once we are sure that you are eligible for a home under the IR scheme, and we receive a satisfactory reference from the reference agency, one of our sales officers will contact you to arrange a date for you to move into your new home. This will usually be three to four weeks from the date you first viewed it.

On the day you move in, we will meet you at the property so you can sign your tenancy agreement and the inventory, pay your deposit, and receive your keys to your new home. Before that date we will send you a statement to tell you the total amount you must pay us. The amount you must pay is equal to:

- the rent for the period from the date you move in to the end of that month; plus
- the next month's rent; plus
- the deposit (which will be equal to one month's rent); less
- the balance of the £175 reservation fee after taking off the reference agency's fee.

When you meet us you must give us a banker's draft for the total amount you have to pay.

When we have given you the keys, our sales officer will send your details to the Intermediate Rent team for your area. They will contact you within seven working days to arrange future rent payments and tell you what you should do if you have any questions about your tenancy.



What now?

To find out what IR homes are available, please visit www.originsales.co.uk.

Our Equal Opportunities Policy

This is what we will do:

- provide and promote equal opportunities, whatever a person's race, colour, ethnic or national origin, religion, beliefs, sex, age, sexuality, HIV status, physical or mental disability, state of health, appearance, marital status, family circumstances or offending behaviour
- give all staff equality and diversity training
- encourage groups and individuals that are disadvantaged in housing and employment, to apply for jobs, homes and work contracts
- keep a record of the ethnic origin, sex, disability and age of everyone who applies to us for a home or job
- consider equal opportunities when we decide who serves on our management board
- make sure everyone we work with or who works for us knows about our policy and keeps to it. If any of these people have their own policy, we will make sure it fits in with ours
- take into account good practice in equal opportunities when we update our housing and employment policies and procedures.

We are committed to promoting equality and diversity. We think there is real value in having people in our workforce from a variety of backgrounds and with a diverse range of experiences and abilities. We are dedicated to providing services to all sections of the community and we expect everyone who works for us to support us in this.



Our Service Promise

Communicating with you

- We aim to provide an excellent service for all of our customers
- If you're not happy with any aspect of our service, please let us know and we'll try to put it right. We have a complaints' form which we can send you if you want to put your complaint in writing
- We welcome your comments - good or bad - as a way of letting us know what we are doing right or wrong. This helps us improve our service to you. Our detailed service promise is available on request.

Our Performance Standards

We aim to:

- answer your telephone calls within 20 seconds
- reply to your letters within ten working days
- give you a decision on whether your application has been accepted within five working days
- respond to telephone messages within 24 hours. (This is due to the fact our Sales Officers are often out of the office at viewings and may not be able to answer your call immediately)

We have an equal opportunities policy and do not treat any applicant for Shared Ownership less favourably because of their race, colour, gender, disability or marital status.

Buying your home

We promise to:

- explain the whole process to you clearly before you buy your new home;
- provide you with a free financial interview and access to mortgage advisors; and
- guide you through every step of buying your home.

We ask you to:

- go to all presentations and appointments we have invited you to;
- be honest about your financial circumstances; and
- contact us regularly throughout the process.

Your home is at risk if you fail to keep up payments on any mortgage, rent or other loan secured on it. Please make sure you can afford the repayments before you take out a mortgage.



For more information call 0800 068 8990
sales@originhousing.org.uk

www.originsales.co.uk