

Your guide to: Intermediate Rent and Rent to Buy

Oct 18



Great homes,
positive people,
strong communities

origin  HOUSING

Next page 



Contents:



What is Intermediate Rent?

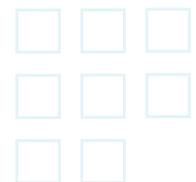
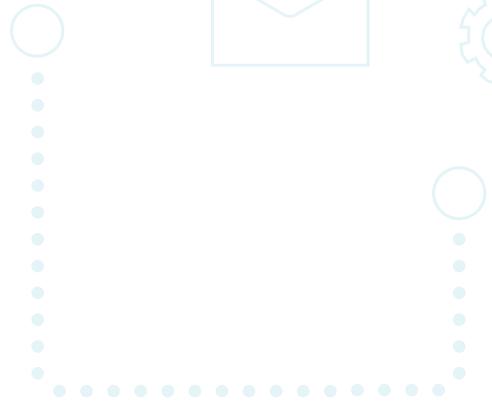
- Eligibility
- About your tenancy
- Costs
- Moving into your new home

Rent to Buy

Inventories

Rent deposit scheme

Contact Information



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.



How does Intermediate Rent work?

Eligibility

You qualify for the Intermediate Rent scheme if:

- your household's income is no more than £90,000 a year in London and £80,000 outside of London
- you cannot afford a suitable home through one of the low-cost home-ownership schemes or on the open market
- you are currently living at home, renting 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
- you could buy under the Shared Ownership scheme if market conditions were different.

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 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 each month.

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.

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 team 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
- the next month's rent
- 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 we have given you the keys, our lettings 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.

To find out what IR homes are available, click here <https://www.originhousing.org.uk/buy-rent/rent-a-home/intermediate-rent-for-keyworkers>

“Intermediate rent is a subsidised rental scheme, which is designed to help first time buyers to save up for a deposit to buy an affordable home.”



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 at a later date.

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 renting 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 any time 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 Homes and Communities Agency (HCA) eligibility criteria and you be able to afford a mortgage.

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

“Rent to Buy is a stepping stone into Shared Ownership... You can purchase the home at any time during the tenancy.”



Inventories

The homes we offer will be in good 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.

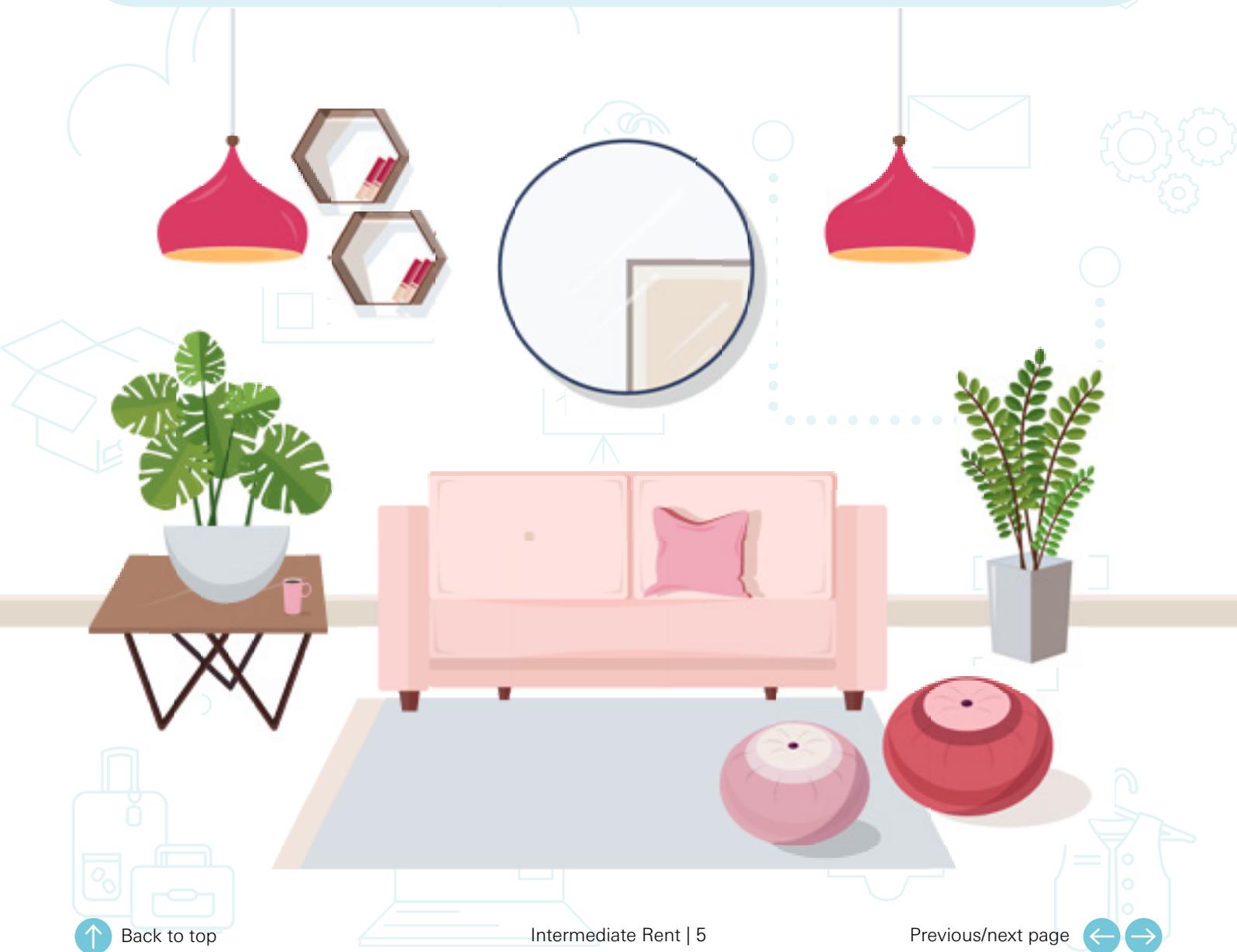
When you decide to leave the property, we will check the condition of the items against the original inventory. If you leave the property in poor condition, we may use your deposit to pay towards the cost of repairs.

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. 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.

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





originHOUSING

For more information call 0300 3230325
or email sales@originhousing.org.uk

www.originsales.co.uk