



Rentplus – the real life stories behind affordable rent to buy

Rentplus is the leading provider of affordable rent-to-buy housing. Designed to offer aspirant working households an accessible route to home ownership. Particularly those who can't afford to buy without some assistance and are unable to save for the deposit necessary to buy using other affordable home ownership, routes such as shared ownership or Help to Buy products. However, our families are registered on local authority waiting lists; they may just not be deemed high priority for any type of traditional social or affordable rented housing.

With Rentplus, tenants pay an Affordable intermediate rent – at 80% market rent or LHA at initial let including service charges – giving them the opportunity to save significantly more than if they were paying market rent to buy their home. We give tenants the opportunity to purchase their home at 5, 10, 15 or 20 years, depending on their circumstances, assisting them with their purchase with a 10% gifted deposit.

Rentplus works in partnership with Registered Providers who manage our homes on a 20 year FRI Lease and provide local landlord services. The homes are let on 5 year renewable Assured Shorthold tenancies and the tenants are given the first opportunity to purchase.

Rentplus currently has new homes in Plymouth, Devon, Dorset, Gloucestershire and Oxfordshire, with more in construction in Plymouth, across Devon and Cambridgeshire. We have major plans to deliver many more this year including schemes in Somerset, Northamptonshire, Essex and Buckinghamshire.

The response to our first schemes proves that there is a huge unmet demand for the Rentplus' affordable rent-to-buy homes. Hopeful prospective tenants have made direct contact with our offices and our RP partners in other parts of the country to ask when we will have schemes in their area.

Over 1,800 people, across the country have recently registered their interest in the Rentplus model, via social media.

The evidence from our first rent-to-buy developments demonstrates the power of the Rentplus model and how Rentplus is assisting local authorities to meet housing need in their areas as well as enabling the homeownership dreams of ordinary working people to come true:

- In Plymouth, 60% of Rentplus tenants have been housed from the local authority waiting list; whilst the number of tenants who are housed from waiting lists varies across our schemes, all tenants are allocated their homes based on the agreed local lettings plan with the local authority to assist them in meeting their housing priorities
- Also in Plymouth, more than 30% of Rentplus tenants were previously living in social housing thus freeing up much needed affordable homes for other families in need; again, this number varies across our scheme depending on the allocations process, however, in the Cotswolds this increased to 50%
- Other tenants have moved from high cost private rented properties, living with families, or leaving the armed forces
- Some have been homeless, having had s21 Notices served on them by their private landlords, others are disabled or have learning difficulties, many are single parents
- Often poor credit history prevents families from accessing home ownership and private rented housing

Rentplus's RP partners work closely with the tenants to improve their credit rating and savings whilst they are renting their home, so they are ready to buy at the appropriate time.

1. Palmerston Heights, Plymouth



Rentplus' first rent-to-buy homes at Persimmon's Palmerston Heights site, are part of the new Seaton Neighbourhood in Plymouth. There are 19 rent-to-buy homes on the first phase of the development. Tamar Housing, our partner, received 257 applications for one of the properties with demand far outstripping supply in this scheme.

The success at Palmerston Heights are those families and couples who are now on the pathway to homeownership. They include:

Muhammed and Marina

After 7 years stuck in the private rental sector in Stoke in Plymouth, the Rafiq family finally have a home to call their own. Before moving into their new two bedroom Rentplus home, Muhammed and his wife Marina found it impossible to save for a deposit.

Muhammed and his family are not alone - saving for a deposit continues to be one of the biggest obstacles to home ownership.

Research from Shelter reveals that 86% of people say they would like to own their home, but 75% of renters are unable to save more than £100 a month towards a deposit.

The Rafiq family have set a goal of purchasing their new home in five years; they plan to save the difference between their private sector rent and their affordable Rentplus rent to ensure they can

put more towards the 10% gifted deposit from Rentplus and to cover their other purchase costs.

Muhammed said: "Our dream has long been to own our own home but with the high costs of renting combined with the need to save thousands of pounds for a deposit it's never been in reach for us. This model is ideal for our needs as we have the certainty of living in the home which we will one day own and the reduction in rent is making a huge difference to our lives.

"We love living in Plymouth – our daughter attends a local nursery and both the sea and local countryside are on our doorstep. Our quality of life has vastly improved".

"Owning your own home is one of the greatest things in life – knowing that we won't have to move again because of rising rents or at a landlord's discretion ensures that we can plan ahead and establish real roots in the local community."



S and S

S and S are both 25 years old and have a six month old son. S works full time and S is currently on maternity leave, but is set to return to work in the coming months. Prior to moving in to their Rentplus home they were living in social housing. Their former home was a cramped one bedroom flat that was filled with the baby's things and left little room for the young couple.

Their spacious new two bedroom house is ideal for the young family. They have opted for a long-term twenty year tenancy which will give them plenty of time to save up to buy the property while paying an affordable rent. The home has a garden which is perfect for their son to grow up in and they say their quality of life is already improving as a result of the security that comes with knowing one day they will own their house.

N and L

Like the Rafiq family, N, L and their two young sons found themselves stuck in poor quality private rented accommodation. Their home was cold and damp and they were desperate to move. However, despite both having fulltime jobs, saving for a deposit and getting on to the housing ladder in their own right seemed a distant possibility.

Therefore they couldn't believe their luck when they found out about Rentplus' rent-to-buy homes. They jumped at the "chance of a lifetime" that owning their own home represented. They believe the Affordable rent they pay each month will give them breathing room to save, and with the gifted deposit from Rentplus put them in the position to purchase the property.

A and R

A and R spent several years languishing in the private rented sector. The home they lived in was damp and did not have a garden. They desperately wanted to move, but as a consequence of rising rents in Plymouth they couldn't afford to find somewhere new to rent. Their story is not unusual; many tenants are increasingly priced out of moving to better accommodation within the rental market. In the South West alone average rents had grown by at least 2.5% in the previous 12 months

according to the ONS Index of Private Housing Rental Prices.

When they found out about Rentplus and the homes at Palmerston Heights they described it as "a dream come true". They now have a two bedroom house with a spacious garden that they are looking to buy in 15 years' time. The couple said they never thought they would get the chance to own their own home.

A

A is an administrator at a local hospital in Plymouth. Following the break-up of a long-term relationship she could no longer afford her monthly rent and was forced to move back in with her parents. This gave her the opportunity to begin saving for a deposit to purchase a home of her own; however, as prices continued to rise she struggled to find anywhere that would be affordable for her.

Rentplus' rent-to-buy model has given her the opportunity to get on to the property ladder. The house is close to where she works and she has even taken on a second job to increase the amount she saves each month to reduce the size of her eventual mortgage. Her plan is to buy in five years' time.





2. Flanders Close, Bicester

Our first scheme in Bicester, Oxfordshire has been a huge success. Sixty expressions of interest were received when the 10 flats were first advertised and all were let within a matter of weeks.

Harrow Churches HA, our Rentplus partner, worked closely with Cherwell DC to allocate the properties to households in housing need in the Bicester area. The majority of the new tenants were living with families, unable to gain access to affordable housing of any description. Particularly pleasing is that we have been able to assist a range of different households whose circumstances include disabilities, learning difficulties, ex-armed forces, and single parents.

Zoe Bloomer moved into their new Rentplus home with her partner and four month old baby. She said: "Before moving into our new Rentplus home we were living in a two bedroom bungalow with my partner's father.

With so many of us in the house it was getting way

too cramped and we really wanted a space of our own. To date, we've just not been able to afford getting onto the property ladder in the traditional way.

"I first heard about Rentplus and their rent-to-buy homes through the council. As well as being affordable, the location really attracted me– it is so close to town and we have good schools right on our doorstep, which means that we won't have to rely on public transport.

"We are aiming to buy our new home after 5 years. The affordable rent means that we are able to save at the same time so we will be able to put more towards the deposit than the 10% Rentplus will give us then."

The following personal stories explain the circumstances and backgrounds of the tenants at Flanders Close:

S is a 45 year old disabled man who has been allocated a ground floor 2 bedroom apartment.

He is going through a divorce and is sorting out his finances. He has a clear plan to pay off all related debts and enter the next chapter of his life. He recently moved jobs and he is training in the civil service and is expecting a promotion once his probation is over. This will enable him to buy his home in 10 years.

K is a 39 year old single father to a 13 year old boy who has been allocated a ground floor 2 bed apartment.

K was previously privately renting and unable to save but really wanted to get onto the property ladder; Rentplus gives him that opportunity to save and later purchase his home.

S is a 30 year old single mother to a 14 month old who has been allocated a first floor 2 bed apartment.

S was living with her parents and was desperate for her independence. She is studying to be a social worker. Once her child is in full time education she will return to full time employment. Rentplus gives her the opportunity to gain her independence and plan for her future.

S and R age 31 and 38 have recently had a child and were living with parents. They have been allocated a first floor 2 bed apartment.

Rentplus gives them an opportunity to move in together and live as a family. They will be able to save their deposit and buy once S returns to full time employment when her child is a bit older.

A is a 32 year old single man with learning difficulties who has been allocated a 2nd floor 2 bed apartment.

A works part time and also volunteers with the British Heart Foundation. He was living with his parents. Having a Rentplus home means he is independent and can plan for his future without

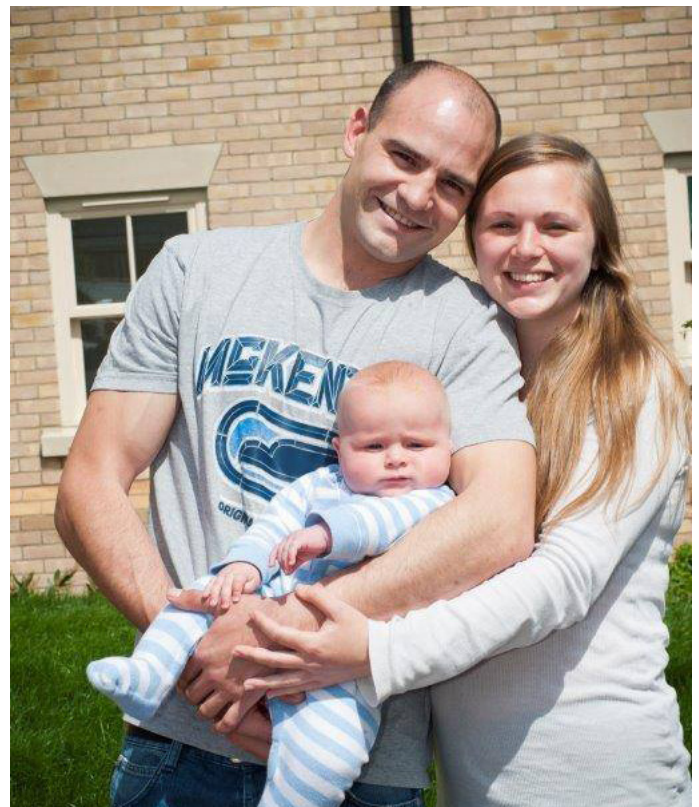
the support of his parents. He has a trust fund that will allow him to buy outright in 5 years' time.

Z and J are 23 and 28 have recently had a child and were living with parents. They have been allocated a 2nd floor 2 bed apartment.

Rentplus allowed them to move into their own home and be totally independent. Their ambition is to own their own property in five years. J has a daughter from a previous relationship and the location of his new home makes it easier for him to visit and care for his daughter. Their own space means she can also come and visit which was not possible before. The scheme will bring their whole family together and they are very excited about the opportunity they have been given.

L and T are 31 and 38 have recently had a child but were living apart with parents. They have been allocated a ground floor 2 bed apartment .

Rentplus gives them an opportunity to move in together and unite as a family for the first time. They will be able to save their deposit and buy once T returns to full time employment.



T and N are 32 and 31. They have recently had a child and were renting privately. They have been allocated a 1st floor 2 bed apartment.

Rentplus allows them to move into their own home with their independence and own their home in due course.

D and H are 26 and 25. They have a 4 year old and were previously in Armed Forces accommodation. They have been allocated a 1st floor 2 bed apartment.

D has recently left the Army to start his own locksmith business and therefore had to vacate his tied accommodation with the Army. Having a Rentplus home has prevented them from becoming homeless as they were subject to eviction and will allow D to build his new business and save.

This is a great opportunity to support him and his family now when it is most needed and will give him and his partner an opportunity to save, secure their finances and eventually buy their home.

E is a 52 year old single mother who has been allocated a 2nd floor 2 bed apartment.

E works full time and has a grown daughter who is living with her. Rentplus gives her the opportunity to purchase the property with her daughter in the future.





3. Saxon Fields, Cullompton

After moving house on average every 18 months, the Hornsey family were sick of living out of boxes and ready to finally find somewhere they could call their own.

However despite having a combined income of £35,000 and saving for a deposit for over five years, Damien, an Office Manager at a local electrical company, and his partner Kristy, a Care Worker, were not able to pull enough together to buy a home.

Their children, Lennon and Elsie now eleven and five, were fed up with having to share magnolia coloured rooms, and were desperate to have a space of their own that they could decorate to their own taste.

Damian Hornsey comments: "Despite saving for years we found that we just could not keep up with the house price growth in our area. It always felt like we were near the finish line, but every time we looked to buy we just didn't have quite enough for a deposit."

After googling options of affordable housing in their area, Damien and Kristy came across Rentplus' affordable rent-to-buy model, applied to Cornerstone (the housing association partner managing the Rentplus homes in Cullompton) for one of the 10 available homes, and in June 2017 they moved into their new home in Saxon Fields, Cullompton. Through Rentplus they will have the opportunity to buy their new home in 5 years. In the meantime they will benefit from an affordable intermediate rent set at 80% of local private rented homes. The Hornsey Family will also have no maintenance costs or service charges to pay while they rent and will receive a 10% gifted deposit from Rentplus when they come to buy.

Damian Hornsey continues: "For us the Rentplus model is perfect, and it feels fantastic to be living somewhere which we will eventually own. Our new three bedroom house is a real upgrade from the two bedroom flat we were renting, yet we are saving an additional £30 a month, on top of what we are already setting aside, to put towards our deposit."

"The house itself is also great. We were previously living just off a very busy main road and I was always worried about letting the children play outside near so much traffic. However Saxon Heights feels like a really safe community, and the kids are able to go out and play with other kids on the street without us having to worry about them." Their new reduced rental and running costs means that Damian and his partner Kirsty are able to save more each month compared to the market rent they were paying before. These additional savings will be added towards the money they have already have set aside for their deposit and purchase costs, as well the 10% gifted deposit they will receive from Rentplus when they have the opportunity to buy their home.

Living in a Rentplus home also gives the Hornseys security of tenure – they won't have to move again as they have a five year tenancy agreement with Cornerstone, who are also responsible for carrying out any repairs to the property until the Hornseys buy their home.



Other Rentplus rent-to-buy developments

Location	Sherbourne, Dorset
Number of Homes	33
Housing association partner	Tamar Housing
Background of tenants	Age range 21-48 Majority of households have children and there are a number of single parents Monthly gross income ranges from £1,700 - £5,400 8 families moved from housing association properties, 18 previously rented in the private sector and 6 lived with family Employment sectors include healthcare, education, retail, manufacturing, construction, admin, catering, agriculture and engineering. 10 households have some savings; 20 have a level of debt

Location	Lechlade, Costwolds
Number of Homes	6
Housing association partner	GreenSquare
Background of tenants	Age range 32-48 All households have children Monthly gross income ranges from £2,100 to £5,100 2 tenants are self-employed; the range of employment includes care, engineer and public service 4 families have debt; 2 have some savings 3 families moved from housing association properties; the other 3 from the private sector 4 were allocated from Gloucester HomeChoice (CBL)



More information

For more information on Rentplus and our upcoming rent-to-buy developments please visit our website: www.rentplus-uk.com.