

NEW DEVELOPMENT

4 affordable homes in GEATA GEAL, AULTBEA

TO LET

Plot 1: Tigh Dearg; Plot 2: Tigh Geal
Geata Geal, Aultbea, Achnasheen,
IV22 2HU

- 2 x three bedroom homes •
- for rent for £470 pcm •

RENT TO BUY

Plot 3: Tigh Gorm; Plot 4: Tigh Glas
Geata Geal, Aultbea, Achnasheen,
IV22 2HU

- 2 x three bedroom homes •
- rent for £560 pcm •
- 25% discounted sale price* £132,000 •
- cashback of £7,500 •

• APPLICANTS WITH A LOCAL CONNECTION PRIORITISED •



"Four affordable homes in a new development on the outskirts
of the quiet and peaceful village of Aultbea"

1. **Site and layout plans**
2. **Homes for rent** - application and allocation process
3. - how do I know if I am eligible?
4. **Rent to Buy homes** - what is the Rent to Buy Scheme?
5. - who is it for?
6. - how do I know if I am eligible?
7. - what are the benefits of the scheme
8. - application and allocation process
9. - do I have to pay any fees?
10. - are there any special conditions?
11. - mortgage finance
12. - what happens if my circumstances change?

Constructed by



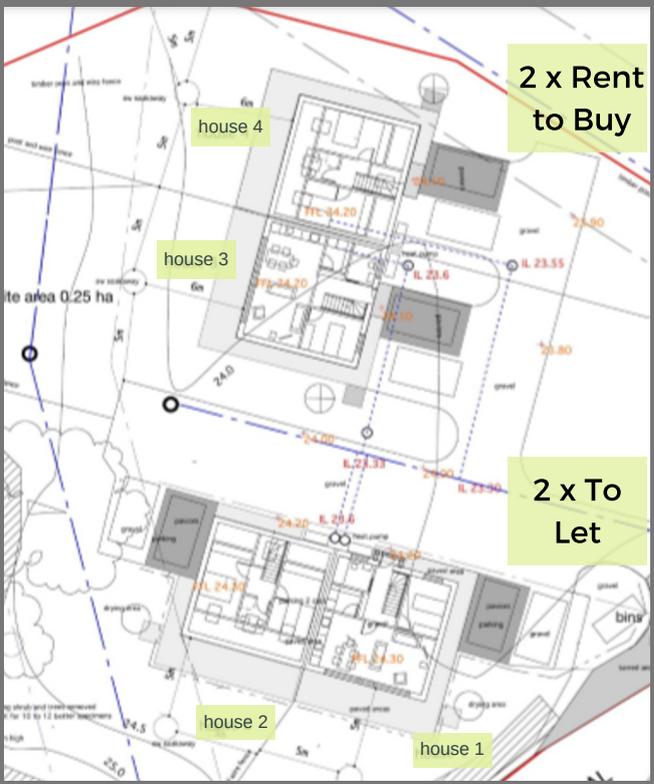
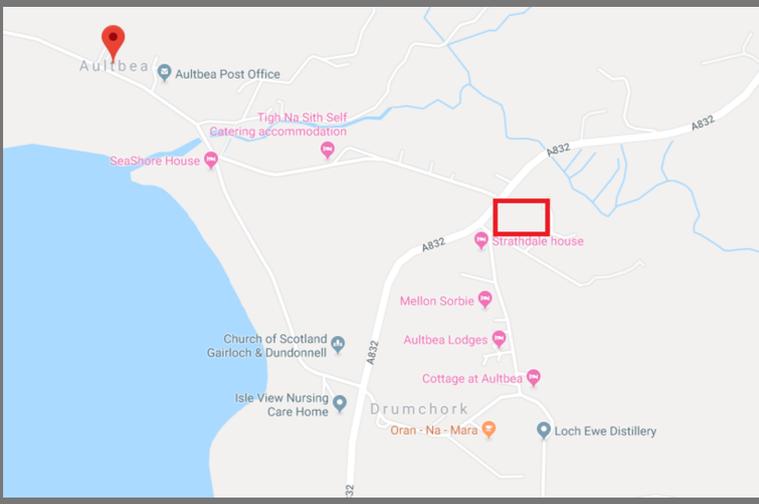
Funded by



In association with

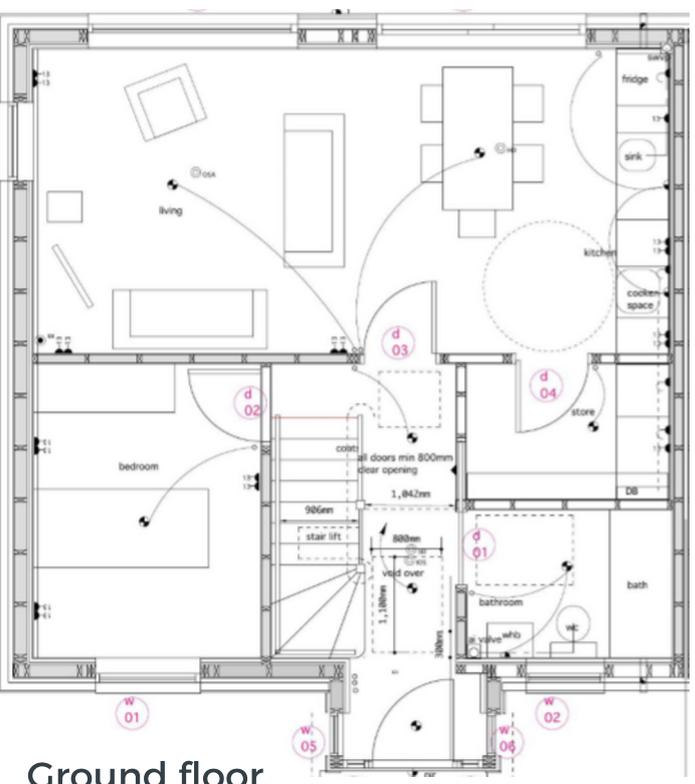


1. Site Plans & Layouts:

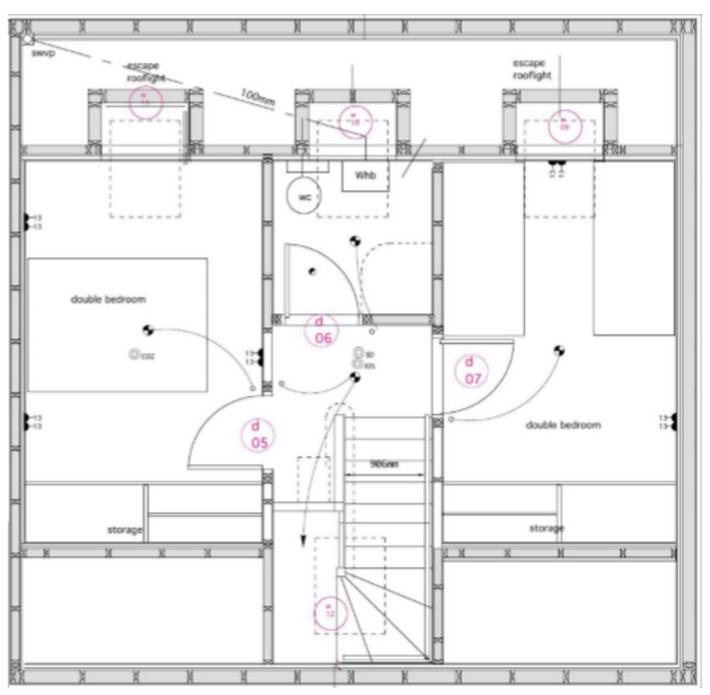


To register your interest in these properties, you can Opt In on our website: www.hscht.co.uk/current-opportunities.html

Postal addresses:
 1 -Tigh Dearg; 2 -Tigh Geal; 3 - Tigh Gorm; 4 - Tigh Glas
 Geata Geal, Aultbea, Achnasheen, IV22 2HU



Ground floor

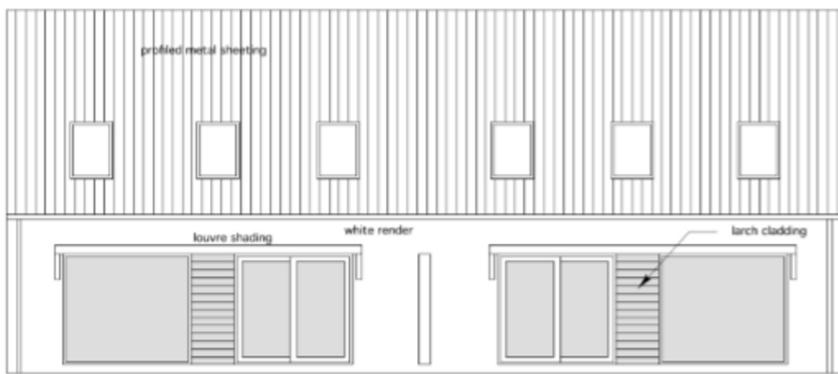


First floor

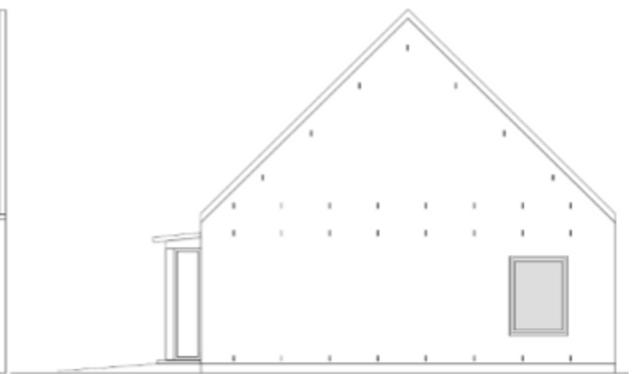
All properties will comprise:

- entrance lobby
- open plan kitchen/living space
- utility room

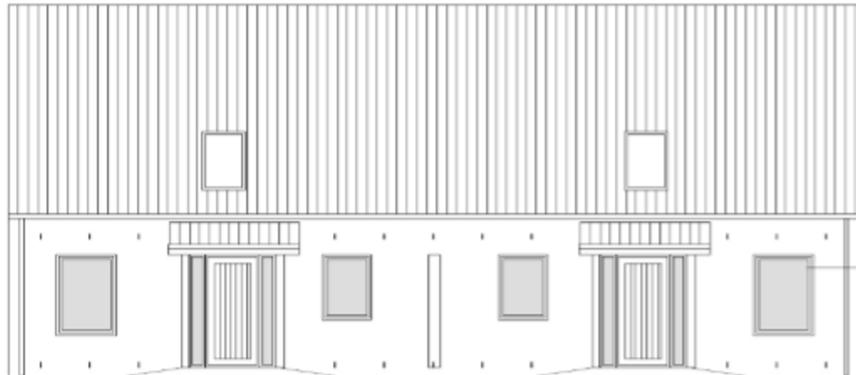
- 2 double and 1 single bedrooms
- downstairs bathroom and upstairs WC
- parking space and private garden area



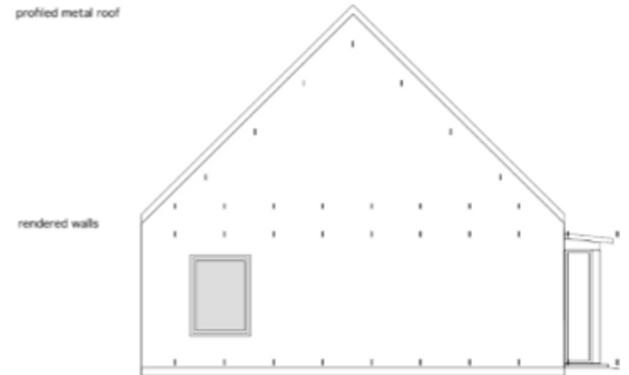
south/west elevation



side elevation 2



north/east elevation



side elevation 1

ALL PROPERTIES:

External Walls: Timber frame construction

External finish: Blockwork and Render

Roof Finish: Metal profile sheeting with Lindab metal gutters

Windows and Doors: Triple Glazed uPVC windows and doors

Heating/Water: The property will have an Air to Air Heating system, courtesy of an Air Source Heat Pump. The hot water installation consists of an eco-efficient immersion cylinder

The design and specification of these properties is in line with Scottish Building Standards. Some of the above items are subject to change. No white goods will be supplied.



2. APPLICATION AND ALLOCATIONS PROCESS

To apply to rent one of these properties, please contact Helen Mackie or Melanie Dalton:

E: helen.mackie@hscht.co.uk; melanie.dalton@hscht.co.uk

T: 01463 233 549

The process is outlined below:

1. Complete HSCHT's application form.
2. Provide HSCHT with the supporting documents listed on the form to prove that you can fully fund your rental payments. Please post or e-mail the form and documents by the specified date otherwise your application may not be considered.
3. HSCHT will assess the applications and allocate the homes according to our allocations policy. All applicants will receive a letter to let them know if they have been successful or not.
4. Successful applicants will be sent confirmation of their offer and arrangements will be made to view the properties.
5. You will be kept up to date as to when the home will be ready for occupation and a tenancy start date will be agreed.
6. Successful applicants will be issued with a Private Residential Tenancy (PRT) Agreement as required for all tenancies by Scottish Government (Private Housing (Tenancies) (Scotland) Act December 2016.) You can find further information on the PRT here: <https://www.gov.scot/policies/private-renting/private-tenancy-reform/>
7. Rent is paid one month in advance on the tenancy start date and on the same date each month thereafter.

Properties for rent:

3. HOW DO I KNOW IF I AM ELIGIBLE?

To qualify for any HSCHT home, we prioritise those who are either:

- (i) living in the area where the homes are located,
- (ii) have immediate family there,
- (iii) work in the area,
- (iv) or have a need to live there.
- (v) Those currently living out with the area who can add social and economic benefit by moving to the area.

For Rent to Buy homes, we will also consider:

- (vi) Those who can release a social rented home.

4. WHAT IS THE RENT TO BUY SCHEME AND HOW DOES IT OPERATE?

The Rent to Buy Scheme (RTBS) aims to help people who wish to become home owners by allowing them to rent a home for up to 5 years whilst saving up for a deposit to buy your home. The purchase date for these properties will be 2024.

The RTBS aims to help people who are on modest incomes to become home owners in rural communities by offering a property at a discounted purchase price, which is fixed at time of let, and returning a cashback "loyalty" sum to the tenant at the end of the rental period if they purchase the property. The cashback for each of these properties is £7,500. This sum is used for the deposit required to secure a traditional mortgage. The percentage discount set for the Rent to Buy properties in Aultbea is 25%.

If you can afford to rent a home but do not have access to sufficient savings for a deposit to purchase a new home just now, the RTBS may be able to assist you.

5. WHO IS IT FOR?

The Rent to Buy Scheme aims to help mainly, but not exclusively, first time buyers who wish to own a home, such as people living in social housing; private rented housing; or with relatives. But it can help others too. For example, it may be able to help you if you are looking for a new home after a significant change in your household circumstances. If you currently own your home or part-own a property you will need to sell your interest in that property to make you eligible for the RTBS.

The Highlands Small Communities Housing Trust (HSCHT) has the right to allocate the homes in accordance with availability and eligibility. The allocation policy is as per that of the rented properties

We will also look at your finances to check that you can afford to proceed with the scheme and that you are unable to purchase on the open market for a similar property in your area.

6. HOW DO I KNOW IF I AM ELIGIBLE?

The allocation criteria is set out in section 3. We will assess all applications to ensure that applicants can afford the monthly rental payments and also that they are likely to secure a mortgage for the home at the time when the property will be sold, based on their current circumstances.

The home must be your permanent residence and the home you are allocated should be suitable for your current housing needs, where your finances permit. We would refer you to the section "Mortgage Finance" for further information.

7. WHAT ARE THE BENEFITS?

There are numerous benefits with the RTBS and some of these are highlighted below.

- The Tenancy Agreement allows you to rent your home on a monthly basis for up to 5 years. Rents are set at the Scottish Government recognised Local Housing Allowance. This is typically less than the market rent and is reviewed annually
- The End User Agreement means that you have the right and the option to purchase the home at the end of the rental period
- The house price is set now. This means that if house prices increase over the rental term, you will not have to pay any more. (Although it is unlikely, please be aware that house prices could fall and you will still have to pay the agreed price for the home if you choose to purchase it)
- The homes are typically provided at 20% discount from the market values of homes in each area - we are pleased to offer a 25% discount on the properties at Aultbea
- You will receive an agreed cash back sum when you purchase the property. If you are eligible for the cash back this will be confirmed at the time of the offer to let. Please note that if you do not go ahead with the purchase no cash back will be due to you
- The properties have been built to a high specification which will provide economical to run, easy to heat homes

8. APPLICATION AND ALLOCATIONS PROCESS

Steps 1-3 of the application process are the same as for making an application to rent a HSCHT property. The remainder of the process is as follows:

4. Successful applicants will be sent confirmation of the offer followed by a reservation form, which they need to return to HSCHT with the reservation fee. See Section 9 "Do I have to pay any fees?"

5. HSCHT will instruct their solicitor to provide successful applicants with a Private Residential Tenancy Agreement, the Principal Offer and other associated paperwork for the home. You will be required to sign up to the RTBS at this point and, whilst not essential, you are advised to take advice from your own solicitor on all aspects of the scheme.

6. You will be kept up to date as to when the home will be ready for occupation.

9. DO I HAVE TO PAY ANY FEES?

Successful applicants for the Rent to Buy Scheme will have to pay a non-refundable Reservation Fee of £500 to secure their allocation. As this fee is non-refundable, we would strongly recommend that you speak to your bank or financial advisor to discuss the affordability and availability of a mortgage, consider that you will be able to afford to purchase/secure a mortgage when the property is scheduled to be sold in 5 years.

If you have paid a reservation fee and decide not to continue with the rent to buy scheme, the fee will be retained by HSCHT and the home re-allocated.

Whilst it may be advisable to engage a solicitor now if you wish, when the home is purchased applicants are required to appoint a solicitor to act on their behalf to complete the work involved in buying a home. The solicitor's fees are the responsibility of the purchaser. HSCHT's solicitor will deal with its interest in the scheme.

When you take out your mortgage, there may be arrangement fees or valuation fees which you need to pay to the lender at the time.

10. ARE THERE ANY SPECIAL CONDITIONS

Yes. There is a Rural Housing Burden attached to the Title of these homes. This is a means of protecting the original discount offered on the home. Full details of the Rural Housing Burden will be passed to potential tenants of the Rent to Buy properties.

If you buy the home you will have full title to the property. However, the burden comprises two elements:

- An agreed discount percentage from the open market value. This percentage discount from the open market value offers a discount to the purchaser and the same discount from market value will apply to any future sale of the property.
- A right of pre-emption. This means HSCHT has the option to buy back the property when the property owner decides to sell the property, with the aim of securing a purchaser who requires an affordable home in the area. HSCHT will buy back the property at the previously agreed discounted percentage.

There is also a permanent residency clause. This means that the property must be the owners' sole residency and not used as a second or holiday home. Full details of the Rural Housing Burden will be provided to potential tenants of Rent to Buy properties.

Please see below an example for your information of a buy back arrangement.

Julie and her daughter have purchased a home through the RTBS. Julie has been offered a new job in Yorkshire and has decided to move.

Typical open market house value in 2018 (100%)	£175,000
Original discounted house purchase price (80%)	£140,000
Equity share	80%

House price increase over 10 years	10%
Open market house price value in 2028 (100%)	£192,500
Amount HSCHT can buy back the home for (80%)	£154,000

Increase for Julie (£154,000 minus £140,000)	£14,000
(Plus any capital amounts she has repaid & less legal fees)	

Alternatively, Julie could consider transferring the home to her daughter.

RURAL HOUSING BURDEN

All Rent to Buy homes will be sold with a Rural Housing Burden.

WHAT IS A RURAL HOUSING BURDEN?

The Rural Housing Burden is a direct result of work carried out by The Highlands Small Communities Housing Trust (HSCHT) to promote and enable affordable home ownership in rural communities. It is a Title Condition that applies to all homes sold at the discounted price.



The property owner will have 100% ownership of the property.

HOW IT WORKS:



AN AGREED DISCOUNT PERCENTAGE FROM THE OPEN MARKET VALUE IS OFFERED TO THE FIRST PURCHASER AND THE SAME DISCOUNT FROM MARKET VALUE WILL APPLY TO ANY FUTURE SALES OF THE PROPERTY.



THERE IS A RIGHT OF PRE-EMPTION. THIS MEANS HSCHT HAVE THE FIRST RIGHT TO BUY BACK THE PROPERTY IF IT GOES ON SALE.



THERE IS A PERMANENT RESIDENCY CLAUSE. THIS MEANS THE PROPERTY MUST BE THE OWNER'S SOLE RESIDENCY AND NOT USED AS A SECOND OR HOLIDAY HOME.

11. MORTGAGE FINANCE

While HSCHT will conduct a financial assessment to make sure that the houses are not sold to anyone who is unlikely to be able to afford the rent, we cannot and do not carry out any kind of mortgage assessment or arrangement. It is the responsibility of the purchaser to ensure that they have the appropriate finances in place to fully fund the purchase.

HSCHT can give some advice as to the banks that we commonly work with and are familiar with the Rural Housing Burden model. However, HSCHT cannot be held responsible for Banks' changes of policy and for mortgage products which were available at the outset of the scheme being subsequently withdrawn.

As already stated, we strongly recommend that you take financial advice before entering into any commitment under this scheme in order to be satisfied that the appropriate mortgage products will be available to allow you to complete any purchase.

12. WHAT HAPPENS IF MY CIRCUMSTANCES CHANGE?

The property is available to rent for 5 years only as HSCHT have to repay the development funding provided by the Scottish Government from the house sales. The purchase dates for the properties will be confirmed in the offer that HSCHT makes to you.

Please be aware that if you are not able to purchase the home as agreed, the tenancy agreement will end and you will have to move out of the home.

If your circumstances change for any reason then HSCHT will make every effort to work with you before and during your tenancy to address any concerns or difficulties which you may have. At the outset of the process we assess the risks and you would be unlikely to be offered a home if HSCHT did not think it was affordable for you.

The details within this brochure are for information only and do not form the basis of any contract.

HSCHT accepts no responsibility for any errors or omissions in this brochure.

HSCHT offers no financial or legal advice - potential applicants for Rent to Buy properties should seek appropriate legal & financial advice.

12. WHAT HAPPENDS IF MY CIRCUMSTANCES CHANGE? cont.

Below are some examples of what may happen if your circumstances change.

Davie and Lynn are renting a home under the RTBS at £560 per month.

Unfortunately, Davie lost his job and the family were unable to pay the rent. They were worried about becoming behind with their rental payments.

They contacted HSCHT and were advised to make a claim for Universal Credit. They could claim Universal Credit up to the rental amount, and they were able to keep up to date with their payments.

Before the purchase date Davie managed to secure a new job and continued with the RTBS as planned.

(In the event that Davie's unemployment had continued into year 5 and due to receiving Universal Credit payments they were unable to secure a mortgage, they would have had to move out of the home. HSCHT would assist where reasonably practical to help to find them suitable alternative housing by liaising with key housing partners).

Tommy and Rachel are renting a home and they have to move away to Peebles to help look after Rachel's Mother. They have been renting their home for 3 years through the RTBS and they give HSCHT 3 months' notice to end their tenancy.

In this case, they are not eligible for a cash back payment as they were not able to buy the home. But, they did get the chance to rent a home for 3 years at an affordable rent.

HSCHT will then advertise for a new tenant to take on the home.

For more information about these homes
please contact us:

Allocations -

Helen Mackie, Housing Management Officer
helen.mackie@hscht.co.uk

**Application administration and general
enquiries -**

Melanie Dalton, Housing Management
Assistant
melanie.dalton@hscht.co.uk

www.hscht.co.uk

info@hscht.co.uk

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THE HIGHLANDS
SMALL COMMUNITIES
HOUSING TRUST

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