

Rent To Buy Scheme

A model for affordable housing in Scotland



What is the Rent To Buy Scheme?

The Rent To Buy Scheme (RTBS) was created by the Communities Housing Trust (CHT) in 2011, as a result of a call by the Scottish Government for innovative new projects to deliver affordable housing in rural areas through the use of loans.

At the time it was increasingly difficult to secure mortgages due to the large deposits required. Other factors, such as the decline in self-build and other affordable housing options demonstrated the need for a new housing model that would help people become homeowners.

With the backing of the Scottish Government, this innovative scheme provided a total of £7.4 million in loan funding, released in three phases.



Since 2011, 63 homes have been provided in 28 communities.

In 2015, the scheme was recognised globally at the World Habitat Awards with UN Habitat, for outstanding and revolutionary housing ideas.



Benefits

The scheme was devised primarily to help those priced out of their local market, with the following unique benefits:

- Ability to rent a new home for 5 years whilst saving up for a deposit
- Monthly rent set at local housing allowance
- Loyalty cash-back sum for tenants at the end of year 5 if they proceed to purchase the property
- Fixed discounted house price set at the outset

The scheme was developed to be replicable throughout Scotland and one which for instance, communities in receipt of community benefit could use to provide a route to homeownership for their area.

The initial investment in building the homes would generate a modest return throughout the rental period which could be used to support other community enterprises.

The scheme could also be used by landowners and businesses with capital to invest.

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Who has benefitted?

The Rent To Buy scheme has helped a wide range of people in need of housing and unable to compete on the open market with priority given to those that met the following criteria:

- Applicants already living in the area where the homes are located
- Those who have immediate family in the area
- Those who work in the area, or have a need to work there
- Those currently living outwith the area who can bring essential skills to the area
- Those currently living in social housing



Homes built under the Rent To Buy Scheme

Rent to Buy Scheme - Phase 1

14 homes were constructed in 8 different communities.

Rent to Buy Scheme - Phase 2

A further 25 homes have been provided in 14 communities.

Rent to Buy Scheme - Phase 3

Delivered a further 24 homes in 14 different communities.

In total the scheme has delivered 63 affordable homes in 28 communities, in:

Acharacle, Alness, Aultbea (bottom image), Ardgour, Auldearn (above image), Aviemore, Balmacara, Beauly, Bettyhill, Cromdale, Dornoch, Duror, Edderton, Flodigarry, Fodderty, Gairloch, Glenachullish, Glenfinnan, Inverarnie, Invergarry, Kilbeg (Skye, middle image), Kyleakin, Lochaline, Lochcarron, Mallaig, Ratagan, Shielding and Strontian.



"Honestly thrilled! I moved to the area in January to take up a teaching role, but it has proved very difficult to find somewhere suitable to rent or buy. The last person doing my job left as they could not find anywhere.

"Moving in last week felt instantly like coming home. The house is lovely, well designed and built, light and warm. I am looking forward to staying there for many years. Huge thanks to all at CHT for their support and this opportunity."