

SETTING YOUR RENT PAYMENTS – SHARED OWNERSHIP

The rent for most shared ownership properties is based on a percentage of the market value at the time of purchase, for the proportion of the property still owned by Eastlight, as documented in the original lease.

All shared ownership leases make provision for the rent to be reviewed and you should refer to your lease agreement to establish how it should be calculated.

For a large number of our shared owners, but not all, the annual rent review is based on the Retail Price Index (RPI) for December plus 0.5%.

In December 2021, the RPI was 7.5% so all shared ownership rents with an April anniversary or start date will increase by 8% from April 2022. This increase has been approved by Eastlight's Board.

For a small number of shared ownership properties that were transferred from Braintree District Council in 2007, the rent is based upon a 'formula' rent. This is the amount that tenants should be paying to live in their homes and is calculated using the following factors:

- National average rent
- National and local average earnings
- Number of bedrooms in property
- Value of property
- National average value of properties.

The amount that these shared owners are required to pay is reduced, proportionately to the percentage of the property owned by Eastlight. This amount is further reduced by 20% to reflect owners' repair obligations.

For more information, please refer to our Rent Setting policy which can be found on our website.