



## **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 2022, the RPI was 13.4% so all shared ownership rents with an April anniversary or start date are due to increase by 13.9% from April 2023. However, Eastlight's Board has decided to cap the increase to 7% for 2023/2024 as we are acutely aware of the financial strain the cost of living crisis is putting on our residents and want to alleviate that where we are able.

Please note that the cap of 7% applies to the increase for 2023/2024 only. All future increases will be in accordance with your lease.

We trust you agree to your new rent and the capped increase for 2023/2024, but if you have any queries or would rather the full increase is implemented please advise us of this.

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.