



a place to  
*get more from*

A guide to London Living Rent

More than just a place to live

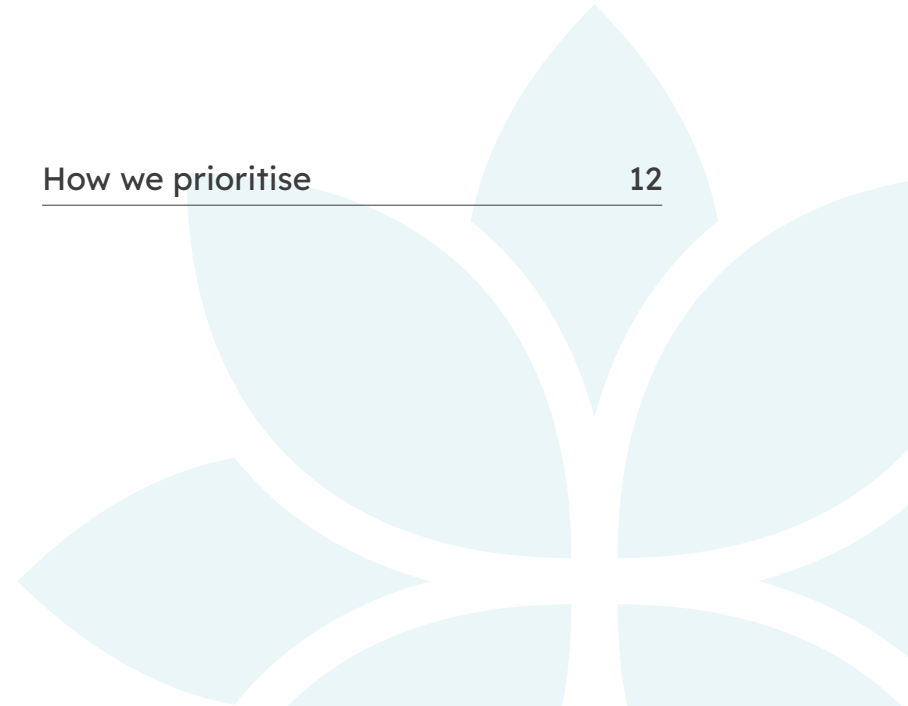
 Peabody



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# London Living Rent

is a Government-backed scheme that's helped thousands of people get their foot on the property ladder. With reduced rental costs, you can save money every month and put it aside for a deposit to buy your own home.



# Owning your own home *made possible*

We have a proud legacy of helping generations of residents find their place in thriving neighbourhoods and communities. We've been doing it for over 160 years.

The team at Peabody New Homes is dedicated to finding you a home that is more than just a place to live. A place to make your own. A place to belong. A place that you're proud to call home.

We know how difficult it can be to take your first step on the property ladder, especially in the capital. The cost of rent combined with the cost of living can make saving for your own home feel impossible. But we don't think it has to be that way, which is why we're delighted to offer London Living Rent as a way to help you save for a deposit and make the move into your very own home.



# Designed to help you take *the next step*

## Helping you save for a home

London Living Rent was introduced by the Mayor of London in 2017 as a way to help renters in London save for their own home. The scheme works by offering you the opportunity to rent a home at a reduced rate. The below-market rent level allows you to save towards a deposit faster by reducing your monthly outgoings, leaving you with more money to save each month.

## Live in great locations

You can rent in a great location and have the option to buy later through Shared Ownership. Find a home where London Living Rent is available at [www.peabodynewhomes.co.uk](http://www.peabodynewhomes.co.uk).

## A step to Shared Ownership

London Living Rent is a type of affordable housing for Londoners, like Affordable Rent, Intermediate Market Rent and Shared Ownership, but it works a little differently. London Living Rent is for people who want to buy their own home, can afford the monthly outgoings associated with home ownership, but need support in raising enough funds for a deposit.

## We're with you all the way

If you have any questions about London Living Rent, we're here to help you every step of the way.



# Designed to help you take *the next step*

## Saving for a deposit while you're renting

As part of London Living Rent, you'll sign a tenancy agreement that's a minimum of three years and a maximum of ten years. You'll be expected to save the agreed amount supporting you to achieve your saving goal. You'll need to do a yearly financial assessment, which includes a credit rating and a review of how much deposit you've saved towards your home (we'll cover the assessment costs).

## Lower than market rents

While you'll pay lower than market rents, the amount you pay depends on a number of factors including where the property is located. The Greater London Authority (GLA) sets maximum rents by number of bedrooms in every ward across London, and these figures are updated every year. The rents are based on a third of average local household incomes. To make sure families can afford to take part in the scheme, the rent for a three-bedroom property is set at no more than 10% above the cost of a two-bedroom property. And the rent for any home must be at least 20% below its assessed market rent.



Across London, the average monthly rent for a 2-bedroom London Living Rent home is around £1,077 a month, almost three quarters of the median market rent\*.

Source > Details correct at 07 December 2023



# Here's how it works...

## Step One

**Find a home to rent through London Living Rent for around 20% less than renting privately**

## Step Two

**Save the extra money you would have paid on rent for a deposit**

## Step Three

**When you're ready, buy the home you have been renting through Shared Ownership**

[FIND OUT ABOUT SHARED OWNERSHIP →](#)



# Your journey to owning your own home



1

## Register your interest

Once you've found a home you love you can register your interest and sign up for updates on our website. When you register your interest for a property you'll be sent updates including when a show home is open so you can come along and view it.



2

## A quick eligibility check

Before you view one of our homes you'll need to do a pre-qualification with a Mortgage Advisor to make sure you meet the criteria for London Living Rent, and make sure it's the right choice for you.



3

## View your home and reserve for £500

If you like what you see, you can reserve a home for £500. When making a reservation, you can choose a selection of homes including your preferred choices. This will give you a higher chance of being offered a home if we receive more than one reservation for any single property.



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## Offering you a home

Within seven days of you making a reservation we will confirm whether we are able to offer you a home with an offer letter. If we receive more than one reservation for the home, we will make a decision based on who best meets the eligibility criteria. For more info on how we prioritise, see page 12.



# Your journey to owning your own home



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## Full financial assessment

Once you have been offered a property, you will be invited to meet an Independent Mortgage Advisor from our selected panel of experts. During this meeting, they'll do a more in-depth check to ensure you are able to afford the home and double-check you meet the eligibility criteria. They will also help you to understand your savings goal in order to buy the property when you are ready. You will need to bring ID, bank statements and payslips. This is a detailed discussion and may take up to an hour. You must complete the financial assessment within five days of being offered a property.

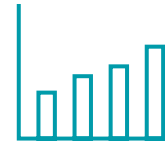


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## Move in, start renting and saving

When you sign your tenancy agreement, you will need to pay an initial five weeks deposit and one months' rent in advance. Your £500 reservation fee will be deducted from your advanced rent payment.

When you move in, our team will be on hand to welcome you and show you how everything works in your new home. They will also help you take meter readings and answer any questions you may have about your home.



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## Keep on track of your savings goals

Every year you'll have an Independent Mortgage Advisor check in to help you with budgeting and to make sure you're on track to hit your savings goal. You'll also receive yearly valuations on your home so you have up to date information on how much it's worth.



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## Start the process of buying your home through Shared Ownership

London Living Rent is based on a minimum of a three year tenancy agreement and a maximum of ten years. You can buy your home at any point on a Shared Ownership basis. Your yearly financial assessments will help you figure out whether you have a big enough deposit and if you're ready to buy your home.

# Your journey to owning your own home



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## Instruct a Solicitor and Mortgage Advisor

When you are ready to buy your home, you'll need to let us know and formally instruct a Solicitor and Mortgage Advisor.

We have a panel of Solicitors and Independent Mortgage Advisors who specialise in Shared Ownership and can help you through the buying process. It is likely that there will be fees associated with these services, so we suggest that you obtain a quote before formally instructing.



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## Secure a mortgage

You will need to submit a mortgage application within two working days of your financial assessment. If you are going directly to a lender to obtain your mortgage, you may need to book an appointment with them in advance of your financial assessment to make sure you're able to meet this timescale. An independent valuation of your new home will be carried out on behalf of the mortgage lender. If they are satisfied with the valuation and financial checks, they will present you with a mortgage offer.



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## The paperwork

While you arrange your mortgage, our Solicitor will be in communication with your Solicitor to provide legal paperwork and respond to any legal enquiries. Once we receive an offer acceptance form following a successful financial assessment, we will send a Memorandum of Sale to your all parties including solicitors and Mortgage Advisors. After all legal enquiries have been satisfied, your Solicitor will contact you to arrange exchange of contracts. Upon exchange, you're legally bound to buy the home and we are legally required to sell you the property. This is usually within six weeks of the Memorandum of Sale, or within five working days of receiving your mortgage offer (whichever date is earliest).



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## Completion

On completion day, the money to buy your home is transferred to our Solicitors. This is typically within 10 days of exchanging of contracts. Once completion has taken place, you will legally own your home through Shared Ownership!

# Check you are *eligible*

The GLA has set out guidelines for eligibility for London Living Rent.

[CHECK YOUR ELIGIBILITY →](#)

	YES	NO
My household income is not more than £60,000	<input type="checkbox"/>	<input type="checkbox"/>
I am currently renting or living with family & friends	<input type="checkbox"/>	<input type="checkbox"/>
I do not currently own a property	<input type="checkbox"/>	<input type="checkbox"/>
I live in a London Borough	<input type="checkbox"/>	<input type="checkbox"/>
I do not already have sufficient savings to buy a home in the local area	<input type="checkbox"/>	<input type="checkbox"/>
I have a good track record of savings	<input type="checkbox"/>	<input type="checkbox"/>
I am able to show that I can obtain a mortgage based on my current credit report	<input type="checkbox"/>	<input type="checkbox"/>
I am able to pass money laundering and fraud checks	<input type="checkbox"/>	<input type="checkbox"/>
I am able to get a good tenancy reference from my current address	<input type="checkbox"/>	<input type="checkbox"/>

# How we prioritise



London Living Rent is available to anyone that meets the eligibility criteria for an available property. As some of our developments can be very popular and at times we receive more reservations than we have homes available, we use a scoring system to prioritise certain people to ensure that our homes go to those most in need.

**On some occasions there may be additional priorities set by the Local Authority which will then override our standard Allocation Policy.**

**To make sure properties go to those most in need, priority will be given in the following order.**

Military personnel

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Existing Council and Housing Association tenants as this will release a home to someone else who needs social housing

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Applicants that do not currently own a home

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**After the initial priority groups have been considered, applications will then be prioritised based on:**

People who live and work within the same borough of the home they wish to reserve

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People with a larger household size i.e. families

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People on the lowest income, but still able to afford the property

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People with a good tenancy reference from their current address

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**For more information please contact:**

**020 7021 4842**

**[enquiries@peabodynewhomes.co.uk](mailto:enquiries@peabodynewhomes.co.uk)**

**[peabodynewhomes.co.uk](https://peabodynewhomes.co.uk)**

