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|  |  | RENT TO BUYLEASE OPTION AGREEMENT PLAN |

Date:

# what is a lease option and the plan

You are a step closer to purchase a property soon if you choose to do so with an agreed price of £\_\_\_\_\_\_\_\_ - pay by either mortgage or cash if in receipt of.



## Costs to be made before renting/paying mortgage to the current vendor

Firstly, the payment of solicitor fees is to be made, this can be in-between but not conclusively - £600 – 800+ VAT.

Upon on completion of gaining the property to pay rent to is that payment to the agent/management office of RS Estates Management Limited of £250 must be paid – This of which can be paid in installments and paid upon if first/all of payment within 7 working days.

The only fee to pay during the month is management fee of service of £50.00 which is negotiable per month to support the vendor and the owner occupied. Payment of mortgage/additional fees which is the above per month. This will be at least £150+ lower than traditional renting in the area. You are saving and profiting off £150+ per month of which can be saved, you can leave to rent another place and leave this to let someone else to rent it out for full amount of which will provide you income of £150+.

 **WHY LEASE OPTION AND NOT A TRADITONAL MORTGAGE ROUTE?**

Mortgage route either residential or commercial, you most likely need 15%-20% as minimal and of course during the market recently the inflation cost of living and increasingly mortgages are now being removed from our property market, making difficult for first time buyers or even people who are renting to go on the property ladder.

Lease option can be made within England and Wales, not allowed in Scotland or Northern Ireland as of October 2022 – The lease option can be savior for people who are currently renting or any type of investor looking for something new or build up. Lease agreements are made by low cost and nothing upfront to be paid, only of the above costs which we say beats the 15% down payment of your own home via a mortgage and the near 6% interest rate of most lenders. **\*You can buy or sell during your lease.** Make sure it is assignable as well.

This route will not just benefit, investors or people who are currently renting, this also support the vendor in finally having someone/company to pay off their mortgage every month and/or any additional fees in managing, and to let go of a property. The agreement will also state that the monies due and agreed price as of today, will be paid either with loan or cash on the date of agreed time of end. The seller will finally at this stage have their money in the bank and to finally pay off their mortgage in full of more left over if you sell earlier than this. The agreement can be made as within 1 year to 10 years+, all depending on the seller and the buyer who will have this discussion with the respected solicitors.