

## Looking for a new home

The following guidance is offered to assist you in looking for a new home with RBMHO. We are willing to purchase 2- or 3-bedroom houses, flats, or apartments provided that the property meets the RBMHO requirements which are set out below (pages 3-4)

This guidance starts by outlining the process by which your property will be bought. It then looks at some of the factors you should think about when deciding where to live before explaining the criteria which RBMHO needs to work with when purchasing homes. I suggest you read everything through before you start to look for your new home and I've given you the go ahead.

### The Process

1. **Start by looking for properties which are for sale and view them.** If you've not done this before the best places to identify properties are internet sites such as Rightmove or Zoopla. You can select a search area, a price range, and property type to help narrow down your choice.

Please note that we will not purchase properties at auction. This is because we will incur costs prior to the auction with no guarantee that we will be successful.

You can email me with links to properties you are potentially interested in before viewing, if you'd like advice about whether the property meets RBMHO criteria, or simply want a second opinion.

You should re-visit potential properties to make sure they are right for you.

2. **Once you've viewed a property and would like us to purchase it, please contact me with the details.** Do NOT negotiate with either the vendor or the Estate Agent although you can though let them know that I will be getting in touch with them.

I will check the property details and compare the asking price with sold prices for similar properties before making an offer(s) if everything is in order. As a charity we are not allowed to pay more than market rate.

With the exception of a new build being built off plan I will not make an offer on a property more than 6 months before your anticipated retirement date.

3. **Once an offer has been accepted,** you will be asked to sign a pre-tenancy agreement which will confirm that you will occupy the property presuming that the purchase proceeds. You will have an option not to proceed before we exchange contracts.

We will need a surveyor to confirm that the property is not above market rate before the conveyancing can take place. If the property survey is satisfactory our solicitors will undertake the conveyancing.

The time that it will take to purchase will depend on the length of the chain, or with new builds the stage of construction, and the responses of the other solicitors involved. I will update you on progress and will share key information about the property with you from the survey, searches and title documentation.

Once the conveyancing work has started RBMHO will incur costs which we will not be able to recover if the purchase does not go ahead. We reserve the right to ask you to contribute

to these costs if you decide that you no longer want to rent the property. This is explained in the pre-tenancy agreement.

If any personal circumstances change which affect your retirement planning or your property requirements (and in particular the timing of your retirement) it is important that you let me know immediately.

4. **Prior to contracts being exchanged** I will check that you still want us to go ahead and provide you with information about the property. Once we exchange contracts RBMHO is committed to purchasing the property and will lose our 10% deposit if we do not proceed.
5. **When the completion date is confirmed**, I will let you know so that you can make your arrangements to move.

There are grants available from BUGB for ministers moving to an RBMHO property. Please let me know if you would like details.

It is best to plan to move on a date after completion has taken place to avoid any complications on the day due to a late release of the keys.

Your tenancy will normally begin when you move in, but if there's going to be a significant gap between completion and your moving date, we may ask you to take responsibility for the costs incurred during the interim. This is explained in the pre-tenancy agreement.

## Choosing a suitable property

- Deciding where you are going to live in retirement is not always straight forward. You will need to consider carefully many factors including the location of other family members or friends.
- We can purchase properties in all parts of the UK, so you are free to choose a property in England, N Ireland, Scotland, or Wales. Property prices vary significantly around the country however, and we know that the budget we provide (see page 4) is not sufficient to be able to purchase a suitable property in some parts of the country. Unfortunately, high property prices make it impossible for many homeowners to retire to these areas of the country too.
- You may want to consider where you will worship and the community which you will join. It is normally advised that ministers retiring move away from their last pastorate. If you plan to stay locally you should talk this through with your church leadership and agree how this will work so that your successor is free to minister, and you're able to retire.
- Having identified the area you'd like to live in, you will also need to think ahead to make sure that the services you want (or may need in the future) are going to be available such as public transport, health care, shops, etc. You may want to escape to the wilds in retirement but living on a steep hill in the middle of nowhere might not be the best long-term option!
- When considering specific properties here are some things to bear in mind
  - Manses are often spacious and may have given you the opportunity to collect lots of stuff. It's best to acknowledge at this stage that you're not looking for another manse, and that your new home is probably going to be smaller.
  - You will need to consider how suitable it will be in the years to come. Accessibility is an important factor, so properties which have steps leading to the front door, or a steep drive

are best avoided. Ideally there should be a level dedicated parking space. Similarly large gardens or gardens on multiple levels will become a challenge to access and maintain. Properties with large trees or high conifer hedges are best avoided too, as are those with high retaining walls.

- The internal layout is important. Some modern town houses have stairs with several turns between each floor. It's better to find a property with straight stair runs or just one turn as they are much easier to fit a stair lift should that be necessary. There should be a toilet on every occupied storey. Properties with steps between rooms can also be problematic in the longer term. While we will normally facilitate a move at a later date, our preference would be that you chose a home which is as future proof as possible.
- You will also need to take note of RBMHO requirements and the budget you are working with (both are outlined below)

## **RBMHO Property Criteria**

**Type of Property:** We will normally only purchase a property with a maximum of 3 bedrooms. The property can be a terrace or a semi-detached, a flat or a maisonette, **but not a detached house**. We will not purchase a property within a sheltered housing complex (See below - service charges).

**Energy Performance:** The governments within the UK are all looking to improve the energy efficiency levels of rental properties. We're also concerned to ensure that our tenants can keep properties warm at as low a cost as possible, particularly as gas boilers may be phased out. New forms of heating generally require properties to be well insulated.

All properties being sold or rented out must have an Energy Performance Certificate (EPC). The EPC ranks properties on a scale of 0-100 for their energy efficiency with bands from A to G, with A being the most efficient. **We will only purchase properties which have a C grade or better unless they can be brought up to at least a C within the purchase budget.**

The full EPC can be found online by searching for the government register of EPCs for the relevant nation. The full document gives more information about the improvements which can be made and how that will change the efficiency score. The indicative costs are often unrealistic. If the only way to get the property up to a C is to add solar panels for electricity or hot water, we will not purchase the property as it will not cope with new forms of heating. New build properties are normally a B grade and will be significantly cheaper to heat than most older properties.

**Condition of the Property:** The property you chose should be in as good a condition as possible, and normally built post 1990. **We will not purchase a renovation project or a listed building.** If a new kitchen or bathroom is going to be required for example, we will need to factor this into the purchase budget. The internal decoration of the property will be your responsibility, so you may want to consider whether there will be a lot of work for you to redecorate / recarpet. There was a fad for artexing walls which may have contained asbestos. **If there are artexed walls it is not suitable.** Polystyrene covered ceilings will need to be replastered as part of the purchase cost.

**Outside storage:** If there is not a garage or a shed, we will provide a shed.

**Conservatories:** Our experience is that maintaining conservatories can be very expensive. This is because the roofs perish in sunlight and then need replacing. We also find that the glazing units fail along with the glazing seals. **We will not purchase a property with a conservatory or lean to unless you are willing to take full responsibility for the maintenance costs.** Similarly, we will only grant permission for you to build a conservatory at your expense on the same basis.

**Wooden window frames:** if a property has a restrictive covenant requiring that doors, windows and /or fascia boards must be made from wood we reserve the right not to progress with the purchase due to the high maintenance costs. Please avoid wooden window frames.

**Solar Panels:** Some properties have solar panels installed. There is no problem if they are owned by the vendor and are included in the sale. However, if the roof space has been leased by a third party, we will not purchase the property.

**Service Charges:** Many newer properties have service charges for the maintenance of the communal areas of the estate. These charges are normally £200 - £400 per annum. The service charges on flats and apartments will be higher and are normally in the region of £100pcm but can be considerably higher. **Service charges are your responsibility**, so you will need to make sure you enquire about them and understand that they will increase over time depending on the cost incurred by the management company.

Some apartments / flats have higher fees as they are for people requiring assisted living. These fees can be £700pcm or more. **We will not consider purchasing a property with this level of service charge** as the charges continue when the property is vacant, and they take a long time to sell.

**Leasehold Properties:** We will purchase leasehold properties, but we want there to be at least 80 years left on the lease. Ground rent charges will be charged in addition to your rent, as will service charges but RBMHO will cover the elements of the charge relating to insurance and other structural costs normally paid for by the landlord.

## Budget

Our normal maximum purchase price (NMPP) is currently £240,000. This represents the normal figure that RBMHO can contribute to the purchase. It should be noted that the NMPP is not a target figure to spend. In some parts of the country, it is above the average property price. If a suitable property can be purchased for less, we will do so.

If you have additional capital, you may add up to £120,000 to the NMPP bringing it to £360,000. This will not mean that we purchase a property which does not meet our property criteria.

We also operate a Rent Premium Scheme which can increase the capital provided by us to a maximum of £300,000 for a higher rent. The Rent Premium Scheme and your capital investment can be combined within the £360,000 limit.

If you have between 50% and 100% of the NMPP in capital the Trustees will require you to contribute to the purchase. This can either be in the form of an Interest Free Loan (IFL) or an

Equity Share (ES). If you have more capital than the NMPP the Trustees will determine if we are able to help you with housing in retirement.

An IFL will be repaid in full when you leave the property and RBMHO will be responsible for all landlord costs.

An ES will be repaid as a proportion of the market value / sale price of the property. Your capital is at risk of decreasing if market conditions change. You will share landlord costs in proportion to your share of the purchase price.

If you make an IFL or ES which contributes to the NMPP, reducing the amount that RBMHO need to invest, you will receive a discount in your rent. Please see our [Rent Policy](#) for details.

The Rent Premium Scheme will result in an increase in your rent to help cover the cost of providing the additional capital. For every additional £10,000 provided by RBMHO the rent will increase by £67pcm. Our standard rent from 1 July 2025 is £234.00 or 10% of household taxable income if that is greater. Therefore, a property costing £275,000 will have a minimum rent figure of £459pcm. A £300,000 property will have a minimum rent of £626.50pcm.

## **Finally**

If you have any questions about any of this, please feel free to contact me.

Andy Hughes – General Manager.

December 2024

(Updated May 2025)

## Appendix: Pre-Tenancy Agreement

When an offer has been accepted on the property you have chosen you will be asked to sign the Pre-Tenancy Agreement (PTA) which outlines the next steps in the process and provides both clarity and certainty for you and for RBMHO.

We ask that you sign the agreement as a commitment to rent the property from us so that we do not waste time and money purchasing a property which you do not then move into. The agreement also covers the timing of making an Interest Free Loan or an Equity Contribution. Once you have signed, we will arrange for a survey to be done, commission searches and undertake the conveyancing.

You will be provided with relevant information about the condition of the property and any issues which may affect it prior to exchange of contracts. You will then be notified in writing at least 5 working days before we exchange contracts (Exchange Notice 1). You could withdraw from the agreement by giving written notice prior to exchange of contracts. After this point, you are committed to renting the property.

We reserve the right to ask you to cover some or all our costs if you withdraw at this point and there was no significant issue with the property. If we decide not to proceed following receipt of the survey or searches you will not be asked to contribute to our costs.

Once we have exchanged contracts you will be notified in writing (Exchange Notice 2). After the purchase has completed, we will provide you with a tenancy agreement prior to you commencing to rent the property.

If there is a delay of more than 2 months from completion of the purchase and your tenancy beginning, you will be required to pay the vacant property costs which we incur. This may include insurance costs, utility charges, service charges and council tax.

If you fail to sign the tenancy agreement within 2 months of either the completion date or the target date which you've previously agreed for occupying the property you will lose all rights to a tenancy. We may at this point sell the property. You may be required to pay some or all our abortive costs (survey, searches, conveyancing fees) and the cost of selling the property (estate agent fee and conveyancing fees).

**Interest Free Loan:** If you are contributing an interest free loan (IFL) towards the purchase cost of the property you need to pay it on or before the IFL payment date. This date will normally be at the point your tenancy begins but may be up to 6 months after the completion of the purchase of the property by agreement. If you are eligible for a rent reduction due to the IFL, (see Rent Policy) this will not become effective until you have paid the IFL. If the IFL covers the gap between the normal maximum purchase price and the purchase price we reserve the right to charge premium rent until the IFL has been paid.

Your IFL will be repaid within one month of the expiry of your tenancy or of you vacating the property if that is later.

**Equity Contribution:** If you are making an Equity Contribution (EC) towards the purchase cost of the property you need to pay it on or before the EC payment date. This date will normally be at the point your tenancy begins but may be up to 6 months after the completion of the purchase of

the property by agreement. A Deed of Declaration of Trust will be issued confirming your EC. If you are eligible for a rent reduction due to the EC, (see Rent Policy) this will not become effective until you have paid the EC. If the EC covers the gap between the normal maximum purchase price and the purchase price, we reserve the right to charge premium rent until the EC has been paid.

Your EC will be repaid either within 3 working days of the completion of the sale of the property or following the agreement to purchase your equity as outlined in the Declaration of Deed of Trust.

If you have any questions about this, please contact Andy Hughes.