

# Your guide to Part Buy, Part Rent

with McCarthy & Stone



New from McCarthy & Stone:  
a simple, flexible way to own your apartment  
and enjoy retirement living to the full.

  
**McCarthy & Stone**  
— Retirement living to the full —

“

I love the spaciousness of the hallways and the tranquility of my new home. My one-bedroom apartment is perfect, it has a Juliet balcony which looks over an abundance of trees and the beautifully landscaped gardens which I adore waking up to every morning.”

Betty Chinnock - Homeowner



## A simple, flexible way to own your apartment and enjoy retirement living to the full.

Welcome to a flexible new way to buy a McCarthy & Stone apartment. You can purchase upwards of a 50% share in a brand new property and pay rent on the part you don't own.

Part Buy, Part Rent allows you to move into your new home without committing 100% of the capital, provided you have sufficient income to cover your future monthly outgoings, which will include Service Charge and Ground Rent as well as rent for the share you don't own.

You will have the same rights and responsibilities as if you had purchased the apartment outright.

If you wish in the future, you may purchase further shares (reducing the rent payable) until you own your home outright.



A more flexible way to buy your home

## Why Part Buy, Part Rent with McCarthy & Stone?

- ✓ **A flexible alternative** to outright purchase with all the benefits of the McCarthy & Stone lifestyle
- ✓ **Potential opportunity to release equity**
- ✓ **Option to buy 10% increments and own outright**
- ✓ **Smooth Move service\*** to reduce the hassle of move day
- ✓ **Option to Part Exchange**
- ✓ **Our Smooth Move service**, offering a contribution to legal and estate agent fees

\*T&Cs apply. Offers are subject to change. For more information and full terms and conditions of our Smooth Move and Part Exchange services, please visit [mccarthyandstone.co.uk/how-we-help](http://mccarthyandstone.co.uk/how-we-help)

“

**We are very lucky to be very active and able to do things we love in life. We're regularly off on holiday. We have nothing to worry about now as we can lock up and leave knowing our apartment is part of this fabulous development with 24 hour security.”**

Mr and Mrs Fleming, Homeowners

## I'm interested in Part Buy, Part Rent, so what's next?

- 1.** Speak to the McCarthy & Stone sales team at a qualifying development who will arrange an initial affordability check to confirm that it's an appropriate option for you.  
To help carry out these checks, please come prepared with the following documents:
  - 1) Proof of identity (e.g. passport) and proof of address (e.g. recent utility bill)
  - 2) Proof of income and existing loans
    - a. Latest annual pension statement, latest pension payslip or P60
    - b. Evidence of allowances/Independence Payments/Entitlements e.g. most recent awards notice
    - c. Monthly payments for existing loans and hire purchase, plus outstanding credit card balances
- 2.** If this initial check looks OK, speak to an Independent Financial Advisor (IFA) to carry out a full financial assessment to make sure Part Buy, Part Rent is a suitable and affordable option for you.
- 3.** At this stage we will also request valuations on your existing property. You may also be put in contact with our Entitlements Team to make sure you are making the most of your state entitlements.
- 4.** Once these checks have been completed we can confirm your reservation.
- 5.** Appoint a solicitor.
- 6.** Exchange of contracts.
- 7.** Complete contracts and move in to your brand-new McCarthy & Stone apartment.

**Ask about our Smooth Move service\***



**We're there, every step of the way!**



“The maintenance of a larger property was something that we no longer wanted to deal with. To come here, where we have lovely landscaped gardens, without the hassle of constant maintenance is a huge relief – we can just sit back and enjoy.”

Mr & Mrs Booth - Homeowners

## Frequently Asked Questions

### Who will own the share of the property I don't buy?

McCarthy & Stone will become your landlord, granting a lease of the same length as if you'd purchased the apartment outright.

Over time McCarthy & Stone plan to sell its portfolio of Part Buy, Part Rent apartments to trusted property investment companies they partner with. The terms of the Lease agreement you enter will remain unchanged, you will be notified in advance of these planned sales.

In these circumstances McCarthy & Stone retain a responsibility for management of the development and a continuing direct relationship with you.

### Financial Advice

We think it is important that you obtain independent financial advice before committing to purchase a property to ensure you know what your new home will cost you and that it is affordable.

If you wish to take up our Part Buy, Part Rent offer, we would require you to have a financial assessment with a FSA-registered Independent Financial Advisor (IFA) to make sure you can afford the ongoing costs both today and if your circumstances change.

We will contribute up to £500 towards the costs for this assessment and will provide you with details of an IFA who has experience of Part Buy, Part Rent, though you can choose to use a different IFA if you wish.

### What will it cost upfront?

You should plan for some one-off costs associated with your purchase, including:

- Reservation deposit (which is deducted from your final purchase)
- Solicitors Fees and disbursements
- Stamp Duty Land Tax (SDLT) in England; Land Transaction Tax (LTT) in Wales: a government tax on buying a home. Your solicitor will be able to tell you if the tax applies, and if it does how much it will be.

### What ongoing costs do I need to consider?

You should plan for the following costs for your move into a new McCarthy & Stone apartment:

- Rent for the share you haven't bought
- Service Charge
- Ground Rent
- Other household costs that you will organise yourself, including council tax, TV licence, contents insurance etc.

We may be able to offer our Smooth Move service\*, which includes a contribution to estate agent and legal fees in addition to our free specialist removal service. Speak to a Sales Consultant to find out more.

### Can I sell my home?

Yes, you are free to sell the share you own to another eligible person at any stage.

### What % of the property do I have to purchase?

From 50% is the standard option – there are options to increase this over time, known as staircasing.

### How much rent will I have to pay and how will that change over time with rent reviews?

The rent is set at the point of purchase.

Annual rent reviews on the anniversary of the lease will be indexed to movements in the Retail Price Index (RPI) subject to a minimum 0.5%

### Is Part Buy, Part Rent available at all McCarthy & Stone developments?

No. This offer is available at selected McCarthy & Stone developments, so make sure you check with the sales team on site.

### Is Part Buy, Part Rent available on Retirement Living PLUS sites as well as Retirement Living sites?

Part Buy, Part Rent is available on both Retirement Living and Retirement Living PLUS.

### What happens when I wish to sell?

If you decide to sell, you will need to instruct an independent valuer/surveyor to set the selling price based on open market value. As laid out in the lease, the landlord will have right of first refusal to buy, otherwise our resales team can help you to sell. As with sales of wholly-owned apartments, on resale of a Part Buy, Part Rent apartment a contingency fee at 1% of the total resale price is charged to be held in the development's reserve or sinking fund.

### What is staircasing and how does it work? What further costs and fees are involved?

You can purchase further 10% increments, based on valuation at that point, which may be higher or lower than the value when you first purchased.

You can staircase to 100% at which point the property would be wholly owned.

You would stop paying rent, but Service Charges and Ground Rent continue to be payable to McCarthy & Stone.

Each time you staircase you need to plan for additional costs such as valuation fee, legal expenses, SDLT/LTT if applicable.

### What happens if my financial circumstances change and I can no longer afford to pay the rent (for example if one of a couple passes away)?

It's important that the housing decision you take is suitable for your personal and financial circumstances, which is why we carry out an initial affordability check and require you to have an independent financial assessment. We want you to enjoy your new home and not have worries over affordability.

Your rent is a contractual agreement between you and your landlord. If you do fall behind with your payments, your landlord will contact you to arrange payment, or agree a payment plan to suit the circumstances.

### Do I pay Stamp Duty Land Tax (SDLT<sup>1</sup>) or Land Transaction Tax (LTT<sup>2</sup>) on a Part Buy, Part Rent property?

You will need to pay SDLT/LTT on a Part Buy, Part Rent property, but you may have less to pay than if you had purchased outright. You should seek advice from your solicitor to confirm how much SDLT/LTT you have to pay.

## How will you choose to live your retirement?

Call us on 0800 201 4118 and we'll  
help you find your perfect place

[mccarthyandstone.co.uk](http://mccarthyandstone.co.uk)

