

Uusi vaivaton rahoitusmuoto

LAKEA OMAKSI

Vuokraamalla omistajaksi

Key concepts and terms

▶ **My Own rental agreement**

Possession of a My Own home is based on a fixed-term rental agreement. This contract is a rental agreement that is broader than normal, and it entitles you to purchase your home as a fully owned residence after the contract period. During the agreement period, you can also sell the right of possession and purchase concerning your home to a third party, or terminate the contract and relinquish the residence.

▶ **My Own fee**

A My Own fee must be paid for a My Own home before the tenancy commences. The My Own fee is credited to you after the agreement has ended. Until the completion of the site, the amount of the My Own fee is approx. 7% of the total price of the home. The remainder, approx. 93%, consists of the housing company's loan, which is in the name of the housing company and, thus, does not burden you personally.

▶ **Total rent**

A total rent is paid for the residence during the contract period. The total rent consists of the instalment of the loan, the interest and other loan-servicing costs, and maintenance and specific costs. In addition to the rent, the housing company charges for, e.g., water and parking space fees, according to consumption.

▶ **Accumulated sale price**

The My Own fee paid at the commencement of tenancy and the loan instalments paid as part of the total rent constitute the tenant's accumulated sale price. A calculation of the accumulated sale price shall be delivered to the tenant on an annual basis. You can sell the right to possession and purchase of your home to a third party, at any time, at a free price, in which case the accumulated sale price is transferred to the buyer.

▶ **Purchase after the end of the contract period**

After the contract period has ended (approx. 20 years after the residence has been finished), in principle, only 40% of the original loan for the residence will remain. The remainder of the loan may vary depending on the housing company. At this time, you will have the right to purchase the home by paying the remainder of the loan for the residence. After such a purchase, the residence will be an ordinary apartment in an ordinary housing company.

Other terms and conditions

▶ **Alterations**

The tenant is entitled to make alterations to the apartment, according to the provisions of the Limited Liability Housing Companies Act.

▶ **Subleasing the apartment**

With the Landlord's permission, the Tenant may sublease or sublet the apartment at a price specified by the Tenant. However, the principal tenant remains responsible for payment of the rent and upkeep of the apartment.

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› **Cancellation of the agreement**

The Tenant and the Landlord shall have the right to cancel the rental agreement on the basis of the Act on Residential Leases.

› **Deductions for premature termination of the agreement**

You also have the possibility to terminate the agreement in the middle of the contract period and relinquish the residence. In such a case, you will be refunded for the My Own fee, increased using the consumer price index of 2015:100.

Any expenses arising from neglect of the apartment's upkeep and from damaging alterations, and any expired instalments including collection fees belonging to the contractual payment liability will be deducted from the fee.

For housing company residences that have come on the market before 1 July 2017, the redemption proceedings will differ from the above. Please refer to the redemption proceedings in the rental agreement for the relevant residence.

› **Taxation**

The Tenant is personally liable for any tax consequences arising from this agreement, in accordance with the valid legislation on taxation, as applicable. The asset transfer tax becomes due for payment upon the purchase, in accordance with legislation in force at the time.

› **Other information**

An individual can only sign one My Own rental agreement for one residence per housing company. No My Own agreements can be signed in the name of a business.

Frequently asked questions

› **Is housing allowance paid for My Own apartments for the full amount of the rent?**

According to a statement by the Social Insurance Institution of Finland (Kela), the full rent of a My Own apartment is taken into account in the granting of housing allowance. The tenant must verify this matter on a case-by-case basis.

› **Can the loan be paid back at an earlier date?**

No, not at the moment. The loan period is approx. 20 years. This is based on the Act on state guarantees for construction loans on rental dwellings (Laki vuokra-asuntojen rakentamislainojen valtontakauksesta), according to which the residences must remain rental dwellings for no less than 20 years from the withdrawal of the first instalment of the guaranteed loan.

› **Can tenants deduct interest payable upon the payment of the rent in their own taxation?**

The loan is in the name of the housing company, so tenants cannot deduct interest in their own, personal taxation.

› **What happens if a party to the agreement dies?**

The agreement will remain in effect in the name of the decedent's estate. The estate will decide what to do about the rental agreement.

The aforementioned terms and conditions describe the My Own agreement at a general level. We reserve the right to make changes. My Own agreements can vary from each other, on a site-specific basis. The final terms and conditions of the agreement are indicated in the My Own rental agreement between the Tenant and the Landlord.