



Startup Rhove has recently partnered with its first property owner to offer renters a financial stake in the building they're living in | Photo source [Rhove/Rentership](#)

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A PROPERTY-BUYING SCHEME FOR A GENERATION OF RENTERS

 PROPERTY & CONSTRUCTION

A startup is offering renters the chance to buy a share of their rental property or building

Spotted: It has been estimated that Millennial and Gen Z renters will spend more than €16,8500 in lifetime rent, and many will never have the chance to own their own property. Weighed down with student debt, rising housing costs and overwhelmingly expensive healthcare, young people have little chance to purchase their dream home. Until now. Startup Rhove is hoping to change this situation by giving renters a financial stake in the building they are living in.

Rhove allows renters to claim a \$50 (€42) share in a property for every year they live in a building, as well as the chance to purchase additional fractional shares on a one-time or monthly basis. While they live in the property, renters will also earn a 5 per cent return on their investment – along with a portion of the proceeds if the building is sold.

Rhove pays property owners a lump sum of cash to become an investor in the building, and stakeholder returns are paid out of the rent that the property owner collects from the building. As the building appreciates, the value of the shares also increases.

According to co-founder Calvin Cooper, the high cost of ownership isn't just a problem for big cities like New York and San Francisco. "Everybody living at the property is going to be granted a financial stake in the building, and they'll be able to buy more on their own terms. So, what we're creating is a situation where renters are given many of the financial benefits of ownership while maintaining the flexibility of renting."

At Springwise, we have seen a number of innovative ideas that attempt to tackle the high cost of renting and the difficulty of getting on the property ladder. These range from a network of long-term

urban rentals and a new way to raise down payments.

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Explore more: [Property & Construction Innovations](#)

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Takeaway:

Rhove has recently partnered with its first landlord to offer “rentership” in a development in downtown Columbus, Ohio. For property owners, the programme offers a way to attract residents, build community and also to raise cash. Eventually, Rhove plans to expand across the country. “Our vision is that every renter is an owner,” [says](#) Cooper. The idea also gains new relevance today, as the COVID-19 pandemic adds to the uncertainty of the jobs market for many younger people. Today, more than ever, the opportunity to get one foot on the property market is a vital part of reducing inequality.