

These notes refer to the Housing Act 2004 (c.34) which received Royal Assent on Thursday 18 November 2004

HOUSING ACT 2004

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 6

Section 187: Deferred resale agreements

436. Section 155 of the Housing Act 1985 provides that tenants who exercise their Right to Buy and then make a 'relevant disposal' which is not an exempt disposal (generally a resale) within the discount repayment period must repay on demand some or all of the discount for which they qualified. Section 187 makes an agreement to transfer ownership of the property (other than an exempt disposal) made (i) in contemplation of the tenant exercising the Right to Buy and (ii) before the end of the discount repayment period a relevant disposal. This will be so even if it was agreed that the transfer of ownership would take place after the end of the discount repayment period. Such an agreement will then also trigger repayment of discount, from the date of the agreement to transfer ownership, not the date of the transfer itself.