

SCHEDULE

Regulation2(2)

Social HomeBuy disposal

“SCHEDULE

Regulation 1(5)

Social HomeBuy disposal

1. A Social HomeBuy disposal is—
 - (a) the grant of a long lease of a dwelling in accordance with paragraphs 2 to 8; or
 - (b) following such a grant, each subsequent disposal in relation to that dwelling that is made in accordance with paragraphs 9 to 11.
2. The local authority—
 - (a) owns the freehold interest in a dwelling (“the freehold”) and grants a lease of the dwelling to a purchaser (“the lease”); or
 - (b) owns a leasehold interest in a dwelling and grants a sublease of the dwelling to a purchaser (“the sublease”).
3. The lease or the sublease, as the case may be, is a long lease (“the long lease”).
4. Immediately before the grant of the long lease, the purchaser is a secure tenant of the local authority.
5. The purchaser pays to the local authority a premium for the grant of the long lease (“the initial premium”), subject to any discount to which the purchaser is entitled.
6. The initial premium is calculated by reference to a percentage (“the initial percentage”) of the value of the dwelling or of the cost of providing it.
7. The initial percentage is at least 25 per cent.
8. The long lease includes provisions regarding the making by the local authority of a subsequent disposal of an interest in the dwelling to the purchaser in return for a further premium.
9. Where there is a subsequent disposal of an interest in the dwelling to the purchaser, the purchaser pays to the local authority the further premium, subject to any discount to which the purchaser is entitled.
10. The further premium is calculated by reference to a percentage (a “further percentage”) of the value of the dwelling or the cost of providing it.
11. Any further percentage is at least 10 per cent.
12. References in this Schedule to a purchaser, in relation to a dwelling, include the successors in title of the purchaser’s interests in that dwelling.”