

SCHEDULE TWO

Affordable Dwellings

1. Ownership of Affordable Dwellings

The Owner shall not dispose of an Affordable Dwelling to any person who is not either an Affordable Housing Provider or a Qualifying Person and no person may acquire any interest in an Affordable Dwelling unless they are an Affordable Housing Provider or a Qualifying Person **PROVIDED THAT** the Owner may sell the building within which the Affordable Dwellings are situate as a whole to any other party.

2. Occupation by Qualifying Person

The Owner shall not permit the Affordable Dwellings or any of them to be occupied other than by a person who is (at the time of that person's first occupation) a Qualifying Person under the provisions of an Equity Purchase or a Tenancy.

3. Council Nominations

Upon a vacancy arising in any of the Affordable Dwellings the Owner shall notify the Council and shall specify the proposed terms for the disposal of the relevant Affordable Dwelling and the Owner shall request the Council refer a suitable Qualifying Person to acquire such dwelling and the Owners shall thereupon consider any such referral made by the Council within 10 working days of such request **PROVIDED THAT** nothing in this clause shall oblige the Owner to offer the Affordable Dwelling to such referee nor restrict the Owner from offering the Affordable Dwelling to a person of its own choosing.

4. Local Connection

- 4.1. The Owner will not at any time to permit the occupation allocation, possession or acquisition of any of the Affordable Dwellings other than to a Qualifying Person or persons who has a Local Connection (as hereafter defined) with any of the Parishes of Holsworthy **PROVIDED ALWAYS** that such Local Connection shall be deemed to be satisfied where at least one member of the relevant household can demonstrate a Local Connection.

4.2. In order to demonstrate the Local Connection for the purposes of paragraph 4.1 above a person must either:

4.2.1. have immediately prior to such acquisition or occupation been continuously resident for 5 years in the said Parishes; or

4.2.2. have previously lived in the said Parishes for 5 or more years up to the age of 16; or

4.2.3. must have continuously lived in the said Parishes for 5 years or more prior to being accepted as homeless under Sections 193 or 197 Housing Act 1996 and placed in any form of temporary accommodation outside of the said Parishes for a period of not more than 2 years; or

4.2.4. have for 5 years prior to such acquisition or occupation been in continuous full or part-time employment in the said Parishes or have accepted an unconditional offer of employment in the said Parishes; or

4.2.5. demonstrate a Family Connection to the said Parishes and for the purposes of this sub-clause a person shall be deemed to have a Family Connection to a parish where that person's mother father son or daughter has immediately prior to such acquisition or occupation been continuously resident in the said Parish for a period of 2 years

PROVIDED ALWAYS that if the Owner of a Affordable Dwelling wishes to dispose of the Affordable Dwelling but is unable within 2 weeks to find a purchaser or tenant who can demonstrate such a Local Connection with any of the said Parishes of Holsworthy then the Owner may dispose of the Affordable Dwelling to a person who has such a Local Connection with any of the surrounding and adjoining Parishes; and

PROVIDED FURTHER ALWAYS that if the Owner of an Affordable Dwelling is unable within a further period of 2 weeks to find a purchaser or tenant who can demonstrate such a Local Connection with any of the said surrounding and adjoining parishes then the Owner may dispose of the Dwelling to a person who has a Local Connection with the District of Torridge; and

AND PROVIDED FURTHER ALWAYS that if the Owner of an Affordable Dwelling is unable within a further period of 2 weeks to find a purchaser or tenant who can demonstrate such a Local Connection with the District of Torridge then the Owner

may dispose of the Affordable Dwelling to a person who has a Local Connection with the County of Devon

AND PROVIDED FURTHER ALWAYS that if the Owner of an Affordable Dwelling is unable within a further period of 2 weeks to find a purchaser or tenant who can demonstrate such a Local Connection with the County of Devon then the Owner may dispose of the Affordable Dwelling to a person without a Local Connection

5. Application of Redemption Monies

5.1. The Affordable Housing Provider shall not use any Redemption Monies it receives other than for the purpose of securing and furthering the Affordable Housing charitable objects of the Affordable Housing Provider.

6. Exemptions

It is hereby further agreed that;_

6.1. the provisions and restrictions contained or referred to in paragraphs 2, 3 and 4 of this Schedule shall not apply to any Purchase Mortgagee or chargee of the Affordable Dwellings or any of them nor to any receiver appointed by any such mortgagee or chargee to the intent that any such mortgagee chargee or receiver may deal with or dispose of the Affordable Dwellings or any of them freed from the said provisions and restrictions and on the basis that any person deriving title through or under such mortgagee chargee or receiver shall not be bound by the restrictions contained in paragraphs 2, 3 and 4 of this Schedule AND

6.2. the said provisions and restrictions shall not apply to any person who is the proprietor of the freehold or leasehold of any Affordable Dwelling from time to time in the event that such person exercises any right to redeem any Equity Mortgage in favour of the Affordable Housing Provider and acquires 100% of the Affordable Housing Provider's interest in the Affordable Dwelling and nor to any person deriving title through or under such leaseholder.

6.3. Nothing in this Agreement shall prevent the sale of an Affordable Dwelling to an RSL and after such a sale the provisions of Schedule 3 shall apply to any Affordable Dwelling owned by an RSL.