

## SCHEDULE 3

### 1 DEFINITIONS

- "Affordable Housing"** means affordable housing available to specific eligible households whose needs are not met by the market as set out within Planning Policy Statement 3 entitled "Housing" or any guidance notes or circulars which may supercede it being permanent dwellings to be let as Social Rented Housing through a Registered Provider or disposed of as Intermediate Affordable Housing
- "Affordable Housing Provider (AHP)"** means a Registered Provider or any other approved provider of Affordable Housing
- "Affordable Housing Units"** means each of the dwellings to be constructed as part of the Development comprising the Affordable Housing
- "Chargee"** means any mortgagee or chargee of the Registered Provider or the successors in title to such mortgagee or chargee or any receiver or manager (including an administrative receiver) appointed pursuant to the Law of Property Act 1925
- "Chargee's Duty"** means the tasks and duties set out in Paragraph 11 to Schedule 3
- "Discounted Market Affordable Housing"** means Affordable Housing disposed of and occupied in accordance with Paragraph 7 8 9 and 10 of this Schedule 3
- "Intermediate Affordable Housing"** means housing disposed of at prices and rents above those of properties disposed of as Social Rented Housing but below market price for rents and shall include (but not limited to) housing disposed of:
- a. at intermediate rent no greater

than 80% of open market rent; or

- b. under the Rent to HomeBuy scheme set out within the Homes and Communities Agency Affordable Housing Capital Funding Guide and more particularly defined in the Department for Communities and Local Government's guidance note entitled "Social Homebuy" published in January 2010 or such other scheme as may supercede this product; or
- c. pursuant to a Shared Ownership Lease; or
- d. as Discounted Market Affordable Housing

or such other scheme as may be agreed by the Council from time to time

**"Local Connection"**

means:-

1. has for a total of seven years out of the immediately preceding twenty years had his place of work or his only or principal home in the District of South Hams; or
2. has lived or worked in the District of South Hams for the previous three years

**"Market Housing Units"**

means that part of the development which is generally market housing for sale on the open market and which is not Affordable Housing

social housing grant funding will liaise with the Council

- 5 In the event that social housing grant funding (or other public subsidy) is made available then that funding shall be used to increase the level of Affordable Housing on the Site PROVIDED THAT the level of funding is sufficient to finance the deficit in value between an Open Market Dwelling and an Affordable Housing Unit

6 **MECHANISM FOR PROVISION OF AFFORDABLE HOUSING**

- 6.1 From the date of Practical Completion of the Affordable Housing Units they shall not be used other than for Affordable Housing and shall only be occupied by persons with a Local Connection who cannot afford to rent or buy housing generally available on the open market immediately prior to occupation save that this obligation shall not be binding on :

*Mortgage Protec*  
6.1.1 Any Protected Tenant or any mortgagee or chargee of the Protected Tenant or any person deriving title from the Protected Tenant or any successor in title thereto and their respective mortgagees and chargees; or

6.1.2 Any Chargee provided that the Chargee shall have first complied with the Chargee's Duty; or

6.1.3 Any purchaser from a mortgagee of any individual Affordable Housing Unit pursuant to any default by the individual mortgagor

- 6.2 No more than 50% of the Market Housing Units shall be occupied until the Affordable Housing Units have been constructed to Practical Completion and are ready for occupation but in any event the Affordable Housing Units shall be constructed in accordance with the Planning Permission and made ready for residential occupation within 24 months of the date of the grant of Planning Permission

- 6.3 Prior to the commencement of the Development the Owners shall notify the Council of the name of the Affordable Housing Provider for the purposes of the Social Rented Housing

- 6.4 Prior to the Owners intention to market the Intermediate Affordable Housing the Owners will use its reasonable endeavours to dispose of the Intermediate Affordable Housing to a Registered Provider and shall liaise with the Council in that regard PROVIDED THAT such reasonable endeavours shall not include disposing of the Intermediate Affordable Housing at values less than 80% of Market Value and further PROVIDED THAT the Registered provider shall be free to use the Intermediate Affordable Housing as any form of Affordable Housing.