

3.5 Prior to Occupation of 75% of the Open Market Dwellings the Owner shall transfer the Affordable Dwellings to an Affordable Housing Provider on such terms and subject to existing encumbrances reservations and the imposition of such covenants as may be agreed between the Owner and the Affordable Housing Provider with the intention that the Affordable Dwellings shall at all times be occupied and managed by and in accordance with the aims and objects of the Affordable Housing Provider PROVIDED THAT after it shall have parted with any interest in the Affordable Dwellings the Owner shall bear no liability for ensuring that this intention is achieved or that the Affordable Housing Provider complies with the following obligations;

3.6 The Owner shall upon completion of the transfer of the Affordable Dwellings and at all times subsequently Allocate each Affordable Dwelling to a person who is considered by the Owner to be in need of such accommodation and who in the opinion of the Owner is unable to afford other accommodation in the locality suitable to the needs of himself and his household and who:-

- i. has immediately prior to such allocation been resident within the Parish of Kingsteignton; or
- ii. has a strong local connection with the Parish of Kingsteignton;

AND in seeking to Allocate the Affordable Dwellings under this sub-paragraph the Owner shall (but without limiting its wider discretion in this regard) consider:-

- (a) family associations of such person or persons in the Parish of Kingsteignton;
- (b) any periods of ordinary residence of such person or persons in the Parish of Kingsteignton not immediately before the date upon which any Affordable Dwelling becomes vacant and/or;
- (c) whether such person or persons has to have permanent employment in the Parish of Kingsteignton;

3.7 If the Owner is unable to Allocate within 7 days any of the Affordable Dwellings in the manner referred to in paragraph 3.6 above then the Owner shall Allocate any such Affordable Dwelling by applying the procedures contained in paragraph 3.6 above but in lieu of the reference therein to the Parish of Kingsteignton there shall be substituted references to the district of Teignbridge;

3.8 If the Owner is unable to Allocate within 28 days any of the Affordable Dwellings in the manner referred to in paragraphs 3.6 and 3.7 above then the Owner shall allocate any such Affordable Dwelling to a person or persons ("the nominee") nominated by the Service Lead for Housing for the time being of the Council ("the Housing Services Manager") from the Council's list of persons of priority housing need within its administrative area PROVIDED that the Owner shall have the right to reject an applicant if one of the following criteria is met :-

3.8.1 The nominee has no housing need as defined within the criteria for preference within the Housing Act 1996 (as amended by the Homelessness Act 2002)

3.8.2 The nominee is not a suitable tenant as defined within the criteria of the Owner's Allocations and Lettings Policy

3.8.3 In the case of an Affordable Dwelling to be let as Shared Ownership Housing the nominee does not have sufficient cash or income to purchase the required equity share.

AND the Owner has the right, whilst acting reasonably at all times, in respect of each nomination to reject the nominee by giving notice to the Council and such notice shall state reasons for the rejection and the Council shall have the right to nominate an alternative.

3.9 In the circumstances set out in paragraph 3.10, the Owner shall be released from the obligation under paragraph 3.8 of this Schedule and shall be entitled to Allocate any vacant Affordable Dwelling to any person who is considered by the Owner to be in need of such accommodation and who is resident in the district of Teignbridge or has a strong local connection with the district of Teignbridge or within the County of Devon.

3.10 The circumstances set out in this paragraph shall be the following:-

3.10.1 If no nomination is made by the Housing Services Manager within two weeks of notification by the Owner of a vacancy;

- 3.10.2 If a nomination has been made by the Housing Services Manager and the nominee has failed either:
- (a) to exchange contracts for the grant of a Shared Ownership Lease within a six week period from Allocation; or
 - (b) to complete a tenancy agreement or lease within a seven day period from Allocation;
- 3.11 Upon any disposal by the Owner of the freehold reversion of any Affordable Dwelling which is disposed of as Shared Ownership Housing there shall be included in the transfer a covenant on the part of the purchaser in favour of the Owner that the said purchaser will not dispose of the said Affordable Dwelling (other than by way of mortgage) without first offering to convey the Affordable Dwelling to the Owner at Open Market Value.
- 3.12 The planning obligations contained in paragraphs 3.1 to 3.10 of this Schedule shall not apply:
- (a) to any 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 any dwelling or dwellings comprising the Affordable Dwellings freed from the said obligation and on the basis that any person deriving title through or under such mortgagee chargee or receiver shall not be bound by the said obligation; nor
 - (b) to any tenant of any rented dwelling comprised in the Affordable Dwellings who exercises any right to acquire his or her dwelling (or any interest in it) or acquires the said rented dwelling pursuant to any voluntary sales policy of his or her landlord and nor to any person deriving title through or under such tenant; nor
 - (c) to any person holding a Shared Ownership Lease of any Affordable Dwelling from time to time in the event that such person exercises any right to staircase which may be included in such Shared Ownership Lease and such leaseholder acquires a 100% leasehold or freehold interest in the relevant dwelling and nor to any person deriving title through or under such leaseholder.