

- 3.6 Prior to the Occupation of 50% of the Open Market Dwellings on any part or parts of the Site benefiting from a Reserved Matters Approval the Owners shall have Provided and transferred 50% of the Affordable Rented Housing for that area 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 Owners and the Affordable Housing Provider
- 3.7 Prior to occupation of 50% of the Open Market Dwellings on any part or parts of the Site benefiting from a Reserved Matters Approval the Owners shall have Provided 50% of the Intermediate Affordable Housing for that area
- 3.8 Prior to the occupation of 75% of the Open Market Dwellings on any part or parts of the Site benefiting from a Reserved Matters Approval the Owners shall have Provided and transferred 100% of the Affordable Rented Housing 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 Owners and the Affordable Housing Provider
- 3.9 Prior to the occupation of 75% of the Open Market Dwellings on any part or parts of the Site benefiting from a Reserved Matters Approval the Owners shall have Provided 100% of the Intermediate Affordable Housing
- 3.10 The Owners 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 Owners to be in need of such accommodation and who in the opinion of the Owners 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 Newton Abbot Sub Regional Centre; or
 - ii. has a strong local connection the Newton Abbot Sub Regional Centre;
- AND in seeking to allocate the Affordable Dwellings under this sub-paragraph the following shall (but without limiting wider discretion in this regard) consider:-
- (a) family associations of such person or persons in the Newton Abbot Sub Regional Centre;

- (b) any periods of ordinary residence of such person or persons in the Newton Abbot Sub Regional Centre 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 Newton Abbot Sub Regional Centre

3.11 If the Owners are unable to Allocate within 7 days any of the Affordable Dwellings in the manner referred to in Paragraph 3.10 above then the Owners shall Allocate any such Affordable Dwelling by applying the procedures contained in Paragraph 3.10 above but in lieu of the reference therein to the Newton Abbot Sub Regional Centre there shall be substituted references to the district of Teignbridge

3.12 If the Owners are unable to Allocate within 28 days any of the Affordable Dwellings in the manner referred to in paragraphs 3.10 and 3.11 above then the Owners 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 from the Council's list of persons of priority housing need within its administrative area PROVIDED that the Owners shall have the right to reject an applicant if one of the following criteria is met :-

- 3.12.1 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)
- 3.12.2 The nominee is not a suitable tenant as defined within the criteria of the Owners' Allocations and Lettings Policy
- 3.12.3 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 Owners have 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

3.13 In the circumstances set out in paragraph 3.14, the Owners shall be released from the obligation under paragraph 3.11 of this Schedule and shall be entitled to Allocate any vacant Affordable Dwelling to any person who is considered by the

Owners 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

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

3.14.1 If no nomination is made by the Service Lead for Housing within two weeks of notification by the Owners of a vacancy;

3.14.2 If a nomination has been made by the Service Lead for Housing 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;

3.15 Upon any disposal by the Owners 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 Owners 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 Owners at Open Market Value

3.16 The planning obligations contained in paragraphs 3.1 to 3.14 and 3.17 of this Schedule shall not apply:

- (a) to any Chargee of the Affordable Dwellings or any of them provided that they shall have first complied with the Chargee's Duty set out in Paragraph 3.17 below; 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) save for the exception of Paragraph 3.15 above 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

3.17 The Chargee shall prior to seeking to dispose of the Affordable Dwellings pursuant to any default under the terms of its mortgage or charge give not less than three months' prior notice ("**Chargee's Notice**") to the Council of its intention to dispose and:

3.17.1 in the event that the Council responds within two months from receipt of the Chargee's Notice indicating that arrangements for the transfer of the Affordable Dwellings can be made in such a way as to safeguard them as Affordable Housing then the Chargee shall co-operate with such arrangements and use its reasonable endeavours to secure such transfer;

3.17.2 if the Council does not serve its response to the Chargee's Notice served under Paragraph 3.17 within the two months then the Chargee shall be entitled to dispose free of the restrictions set out in this Schedule;

3.17.3 if the Council or any other person cannot within three months of the date of service of its response secure such transfer then provided that the Chargee shall have complied with its obligations under Paragraph 3.17 the Chargee shall be entitled to dispose free of the restrictions set out in this Schedule

3.18 Any Grant Funding element of any capital receipts generated by the exercise of a right referred to in paragraph 3.16(b) and (c) shall be recycled in accordance with the procedure set out in the Housing Corporation Capital Funding Guide (or such similar guide as may exist from time to time) and the Affordable Housing Provider making such provision shall furnish the Council with such evidence as the Council shall reasonably require to show how that receipt has been spent.

3.19 Prior to the disposal of any Affordable Dwelling other than to an AHP the Owner shall provide the Council with such evidence to demonstrate the allocation of each Affordable Dwelling in accordance with paragraphs 3.8 to 3.14 of this Schedule to the reasonable satisfaction of the Council (such approval not to be unreasonably withheld or delayed