

“ Plain speaking legal advice ”

**Do I Have to offer a Housing Association  
the option to buy my home?**

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1. Shared Ownership leases granted since 2006 contain a right of first refusal in favour of a Housing Association. This right of pre-emption applies for a period of 21 years **after** the owner has completed Final Staircasing. This means that some owners of homes which were previously held on a shared ownership lease have to consult that Housing Association **before marketing the property for sale**.
2. If within 21 years of final staircasing having been completed the owner wishes to either sell the property or let the whole of the property at below a market rent for a term of more than 21 years then subject to the exceptions set out below the pre-emption provisions will apply. It makes no difference if the current owner was not the owner when the property was shared ownership. The obligation binds both the former shared ownership owner and all subsequent owners.
3. The pre-emption provisions do not become operational if the lease is transferred as a result of a Court Order or in accordance with the provisions of a Will or intestacy.
4. If the pre-emption provisions do apply then the owner is obliged to serve a written notice on the Housing Association offering to sell the lease to the Housing Association. This must be done before the property is offered for sale through an estate agent.
5. Once the notice is served the Housing Association has a period of 6 weeks to either:
  - Decline the offer to sell to it but nominate a purchaser, or
  - Accept the offer to sell
6. The Housing Association is expected to have a published policy setting out the circumstances in which it would anticipate exercising the right of pre-emption. This is intended to give owners an early indication whether an offer to sell is likely to be accepted by the Housing Association.
7. If the Housing Association decides not to buy but decides to nominate a buyer the owner is required as soon as is reasonably practicable to make a written offer to sell the property to the person nominated by the Housing Association. The price at which the property is to be offered is the open market value of the property. The owner is required to pay the cost of assessing the correct market value.
8. If an offer made to a nominee is refused, is not accepted within 6 weeks or the nominee does not exchange within a reasonable time then the owner may (subject to some conditions) sell the property to somebody else.

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9. If the Housing Association does not nominate a purchaser but wishes to buy the property then the sale will generally complete on the date agreed between the Housing Association and the owner. The price to be paid by the Housing Association is the open market value. In this case the cost of assessing that value is paid by the Housing Association.

### How can Herrington & Carmichael help you?

**If you are the owner of a shared ownership property which is subject to a pre-emption provision or you have bought a home which was formerly a shared ownership property it is important that you speak to us as soon as you decide to sell and before you market the property with an estate agent. We can then ensure that all necessary steps are taken so as not to delay your eventual sale.**

With us you can be assured that you will be dealing with a dedicated and hardworking team of conveyancing specialists.

The people who will work for you deal only with conveyancing and therefore possess the expertise and practical experience to assist and guide you throughout the transaction. Whatever issues arise they will know how to help.

You will be given direct telephone numbers and email addresses for the people working for you. Our main switchboard telephone lines are manned between 8.00am and 6.00pm Monday to Friday. We understand the stresses and strains of selling a property and some members of our team are available to speak to you on their mobile phones until at least 8.00pm Monday to Friday and between 10.00 am and 4.00pm at weekends

To find out more about how we can help you email us at  
[residentialproperty@herrington-carmichael.com](mailto:residentialproperty@herrington-carmichael.com)

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Watchmoor Park  
Camberley  
Surrey  
GU15 3YL

tel: 01276 686222

3&4 Market Place  
Wokingham  
Berks  
RG40 1AL

tel: 01189 774045

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