

TERMS FOR THE DELIVERY OF TWO AFFORDABLE HOUSES AT

THE FORMER LAMB INN, BILSHAM ROAD, YAPTON.

MATTHEW HOMES LIMITED

Planning Consent Condition 18 states: The development will not begin until a scheme for the provision of affordable housing as part of the development has been submitted to and approved in writing by the local planning authority. The affordable housing shall be provided in accordance with the approved scheme and shall meet the definition of affordable housing in Annex 2 of the National Planning Policy Framework or any future guidance that replaces it. The scheme shall include:

- i. the type, tenure and location on the site of the affordable housing provision to be made which shall consist of not less than two housing units;*
- ii. the timing of the construction of the affordable housing and its phasing in relation to the occupancy of the market housing;*
- iii. the arrangements for the transfer of the affordable housing to an affordable housing provider;*
- iv. the arrangements to ensure that such provision is affordable for both first and subsequent occupiers of the affordable housing; and*
- v. the occupancy criteria to be used for determining the identity of occupiers of the affordable housing and the means by which such occupancy criteria shall be enforced.*

The scheme offered (in accordance with the above) is defined herewith:

1. 1 x 2 bed semi-detached house of 764 sq.ft (Plot 13)
1 x 3 bed semi-detached house of 893 sq.ft (Plot 14)

The houses will be offered as Intermediate Housing units (in accordance with NPPF definitions of the same) and will be available on either a shared ownership or shared equity basis to suitably qualifying purchasers unable to compete for a similar property in the open market.

The disposal price of the houses will equate to a maximum of 75% of the open market value with no rent payable on the unpurchased equity stake. If offered on a 'traditional' shared ownership basis – where rent is charged on the unpurchased equity – the monthly cost to the purchaser will be no greater than the cost of the 75% mortgage only model.

2. Contracts for the sale of the affordable housing units to an affordable housing provider will be exchanged within 3 months of the commencement of construction works on the site and the developer will not occupy more than 50% of the open market units until the sale to the affordable housing provider has been completed.
3. The developer will dispose of the units to an affordable housing provider to ensure that the property is marketed, qualified and managed in accordance with this scheme and such a provider can be either a company registered (or eligible for registration) as a Registered Provider or a company or

body specialising in the delivery of affordable housing. It is proposed to use Landspeed Homes Limited for this scheme (detailed further below).

4. The affordable housing provider will ensure that contract paperwork obligates any purchaser to offer the house to qualified purchasers should it be resold at any time in the future. The timings for this will be reduced to 2 weeks with the Council and a further 2 weeks openly to those with a connection to Arun DC. Thereafter the house can be offered to anyone provided the affordable price is respected and future nominations addressed through repeating the process on subsequent re-sales.

The scheme cannot prevent any purchaser exercising the right to stair-case to full ownership (although the affordable housing provider can hold a right of pre-emption throughout) and contract papers will allow mortgagees to exercise their rights should any purchaser default in their mortgage obligations. These points respect the standard terms required by the HCA and CML.

5. The properties will be marketed through a nominations process allowing the Council (or its elected agent) to nominate prospective purchasers for a period of one month from confirmation that the marketing period has commenced. These parties must have a local connection with the Arun District Council area (via residence, employment or close family connection) and will be required to fill in an application form confirming their status and financial position. These forms will be appraised by the affordable housing provider and a financial interview will take place with each applicant via an appropriate IFA.

If no suitable purchasers are identified through the first month (as defined in above) then the affordable housing provider will market the unit directly – albeit the Council can still nominate – to applicants connected with the Arun District Council area.

If no suitable purchasers are identified within a period of 3 months from the commencement of marketing then the unit will be offered to those connected with adjacent local authority areas and, after a further one month, the geographical link will be removed although the house will still only be available as defined in 1 to 4 above.

Landspeed Homes Limited

Hampshire based Landspeed have delivered well over 100 intermediate affordable housing units throughout the south of England including recently completed schemes in Chichester District Council and on the Isle of Wight. Current and soon to be delivered schemes are in Shepway Council (three sites delivering 16 units + 1 + 6) Chichester (1 + 4), Test Valley (11), Isle of Wight (3) and Cornwall (4).

Landspeed have been accepted and approved as an affordable housing provider throughout the south of England and are also confirmed as eligible for registration as an RP by the HCA.

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