

# Guidance on buying and selling a discount sale property

The form below is to be completed when purchasing a discount market home – if you have any questions about this form please contact [housing@ribblevalley.gov.uk](mailto:housing@ribblevalley.gov.uk).

## **Affordable Housing - Discount Market Housing Application**

If you decide you want to sell your affordable home in the Ribble Valley, you can use the guide below.

This guidance is for owner/occupiers of properties subject to affordable housing provisions. It is not intended to be legal advice, and any owner/occupier looking to sell or otherwise dispose of a property in this category should seek independent legal advice at the earliest opportunity to avoid delays in the sale process.

Stage	Action
<b>Check Section 106</b>	<p>The Section 106 agreement attached to your property will normally provide the information you need to sell your house, including: obtaining a valuation, stating the maximum percentage of the market value you are able to advertise and sell your home, who can buy the property and that the purchaser will normally have to be approved by the council.</p> <p>If you need help to understand the terms of your Section 106, you can consult your solicitor for advice.</p> <p>A copy of the Section 106 Agreement affecting your property will have been provided on your purchase and should be with your deeds. Your solicitor will need a copy as soon as possible.</p> <p>Contact <a href="mailto:housing@ribblevalley.gov.uk">housing@ribblevalley.gov.uk</a> for general information or to understand how to obtain an online copy of your Section 106.</p>
<b>Valuation</b>	<p>Your first step will usually be to get an open market valuation for your property (but please check the provisions of the Section 106 Agreement carefully as each one can differ slightly). You can approach local estate agents for this. Make sure they are aware of the Sect 106 requirements.</p> <p>It is recommended that the open market valuation (100%) and the discounted market value (usually 70%) be stated for the named property in any report.</p> <p>It is recommended that you use someone local as they will understand the local housing market and have experience of valuing properties in the area.</p>

Stage	Action
<b>Checking the valuation</b>	<p>The seller (or their estate agent) must provide the council with the valuation report. The council will consider the value and may ask for further details about the property before deciding if the valuation is deemed acceptable.</p> <p>Information may include comparable sale values, the value of the property approved at the last sale and if any improvements have been made to the property.</p> <p>If the Council and the agent cannot agree a sale value then the property valuation will be referred for a valuation by a RICS qualified surveyor.</p>
<b>Marketing the property</b>	<p>Once the valuation has been agreed and confirmed in writing by the council, the property can be placed on the market.</p> <p>Sales particulars need to stipulate that the property is an “<b>affordable home</b>”, “<b>subject to a Section 106 Agreement of planning condition</b>” and that “<b>buyers must be approved by Ribble Valley Borough Council</b>”.</p> <p>Please ensure that you check the Section 106 Agreement or the planning condition carefully prior to putting your home on the market as there might be other criteria, that you need to be aware of e.g. an age restriction over 55 yr olds only. Your solicitor will be able to assist if you need clarification.</p>
<b>Marketing the property</b>	<p>Any interested buyers will need to undergo an eligibility check by the council.</p> <p>The potential buyer can request a discount market housing application form for the named property by contacting <b>housing@ribblevalley.gov.uk</b></p> <p>Once the council has received all the documentation required from the applicant, processing an application can take up to 10 working days.</p> <p>The purchaser will be notified in writing of the council’s decision. If the applicant is approved, a decision letter will be issues so that the sale/purchase can proceed.</p> <p>Depending on the requirements of the Section 106 Agreement or planning condition, either the seller and/or buyer, may be required to complete a deed of covenant (your solicitor will advise). If a Deed of Covenant is required, requests can be sent to housing@ribblevalley.gov.uk who will instruct the council’s legal department. Any request for a Deed of Covenant must include:</p> <ul style="list-style-type: none"> <li>• the decision letter</li> <li>• a copy of the Section 106 Agreement or planning condition</li> <li>• up to date office copy entries for the property, in order to avoid delays</li> </ul>

Stage	Action
<b>Struggling to sell your home?</b>	<p>Buying and selling homes can be stressful and selling any home can take a while. However, contained in most Section 106 Agreements there is a process called 'cascading' which may help you to find a buyer. Before beginning the cascade process, you should make sure that you are doing all you can to promote your property. You will need to inform the council what has been done to market your home.</p> <p>All Section 106 Agreements are different and there may have been many variations over time. If you are unsure whether yours contains a cascade process, contact your solicitor for advice.</p>