



Ministry of Housing,  
Communities &  
Local Government

Mr Conor McGinn MP  
House of Commons  
London  
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**Mrs Heather Wheeler MP**  
Minister for Housing and Homelessness

**Ministry of Housing, Communities & Local  
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Your ref:ZA764

Dear Conor,

20-6-18

Thank you for your letter of 22 May to Rt Hon James Brokenshire MP on behalf of your constituent, Mrs Catherine White of 13 Gower Road, Stockport, Cheshire, about shared ownership retirement homes. I am replying, as this matter falls within my ministerial responsibilities.

I am sorry to read about the difficulties faced by Mrs White. You will appreciate that I am unable to offer legal advice or directly intervene in such matter. Nevertheless, I would like to offer the following general comments, which I hope your constituent will find helpful.

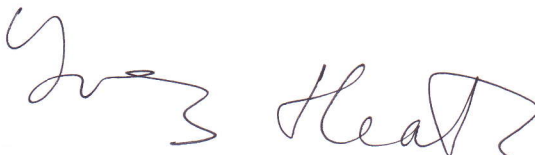
Retirement properties have a number of restrictions, notably that any prospective purchaser must be over the age of 55. Shared ownership leases also must prohibit sub-letting by the leaseholder, to protect public funds and ensure applicants are not entering shared ownership for commercial gain. Providers must consider requests to sub-let on a case-by-case basis. It is the provider's decision as to whether they agree to the request and permit sub-letting.

Individuals purchasing under shared ownership have the same rights and responsibilities as other owner occupiers, including the right to sell and move on when they wish to do so. If a shared owner plans to sell their share, except when they have staircased to 100% ownership, they must inform their landlord so that the property can be offered to other prospective purchasers on the waiting list for housing assistance. This requirement is there to help landlords meet local housing need. If the provider is unable to nominate someone within 8 weeks, then the shared owner is free to sell their share on the open market. The exact terms of the sales process should be set out in the lease.

Shared owners then can effect a 'back to back' staircasing transaction whereby the shared owner simultaneously staircases up to 100%, sells on their property, and then repays the landlord the value of the remaining share. If the landlord has waived their option to nominate or repurchase, then it is entirely legitimate for the shared

owner to sell their home on the open market to any subsequent purchaser. The pre-emption right prior to 100% staircasing is there to ensure that the option remains for landlords to nominate or repurchase and thus to keep grant funded shared ownership properties available for subsequent eligible purchasers who are in housing need.

I hope that your constituent finds this information useful.

A handwritten signature in black ink, appearing to read 'Heather Wheeler', with a long horizontal flourish extending to the right.

**MRS HEATHER WHEELER MP**