RIGHT OF FIRST REFUSAL GUIDE
SUMMARY

The Housing Act 2004 states that anyone who received their offer notice for Right to Buy or Right to Acquire after 18th January 2005 and wants to sell their home within the first 10 years of purchase must give Right of First Refusal to their former landlord (in this case Southway Housing Trust).

This guidance explains the circumstances that may influence Southway Housing Trust’s decision whether or not to purchase or to nominate another Register Provider to buy back such a property through the Right of First Refusal and the process for dealing with requests.

Introduction

Southway Housing Trust has a Duty to have First Right of Refusal for any home purchased through Right to Buy or Right to Acquire after 18th January 2005. This Duty will apply for ten years after the purchase date of the home. This means that if your home was purchased through Right to Buy or Right to Acquire after this date, then you will need to offer it to Southway Housing Trust before offering to sell to anybody else.

What You Need to Do

If you, the applicant are bound by the Right of First Refusal, the Government rules say that you must send an “Offer Notice” or letter to Southway Housing Trust stating the following:

- That you wish to dispose of the property,
- That there is a covenant requiring you to first offer the property back to Southway Housing Trust,
- Give the property’s full postal address,
- State the property type (house, flat etc…),
- Specify the number of bedrooms,
- Give details of heating system; and
- Specify any improvements or structural changes which have been made since the purchase (inc adaptations).

This “Offer Notice” needs to be sent to the following address:

Resident Services
Southway Housing Trust
Aspen House
825 Wilmslow Road
Didsbury
Manchester
M20 2SN

Or
By email to;

residentservices@southwayhousing.co.uk

**What Happens next?**

When Southway Housing Trust receive your “Offer Notice” it will write to you confirming receipt and explain the “Right of First Refusal” procedure governed by Regulations 6 to 10 of the Housing (Right of First Refusal) (England) Regulations 2005. Southway Housing Trust will then have eight weeks in which to assess the Right of First Refusal on the property and reply to you confirming if it will

a) buy the property  
b) nominate another Registered Provider to buy the property; or  
c) not purchase the property.

This letter will inform you of the process and the next steps - shown below:

If the letter confirms a) or b) then Southway Housing Trust or another Registered provider will buy back the home within an additional 12 weeks of the date of the letter, with any Discount monies owed being repaid to Southway Housing Trust. This is an **Acceptance Notice**. An acceptance notice must –

a) be in writing  
b) indicate clearly that the Council is accepting the offer

During this time the Trust will ask its nominated Valuer to value the property. The market value must be agreed between the parties or, if we are unable to agree, it will be determined by the District Valuer. The District Valuer’s fees will be met by the Government.

If Southway Housing Trust or the nominated Registered Provider does not complete the contract for sale within **12 weeks** you can sell your home on the open market, with any Discount monies being repaid to Southway Housing Trust. This means that the process will be completed within 20 weeks of receipt of the initial “Offer Notice” letter by Southway Housing Trust.

If Southway Housing Trust or the nominated Registered Provider does not wish to purchase your property, then you are free to sell the property on the open market and the rules of Right of First Refusal will no longer apply. This means that whoever buys the property does not have to offer it back to Southway Housing Trust when they come to sell it. However, any discounts that are applicable will need to be paid back to Southway Housing Trust. If after 12 months, you have still not sold your property and you still wish to, a fresh “Offer Notice” to Southway Housing Trust must be made in writing.