

WATERFORD COUNTY COUNCIL

1995 Tenant Purchase Scheme

The Scheme adopted by Waterford County Council (The Housing Authority) for the sale of dwellings in accordance with Section 90 of the Housing Act 1966 as substituted by Section 26 of the Housing (Miscellaneous Provisions) Act 1992 and the Housing (Sale of Homes) Regulations 1995 (S.I No. 188 of 1995) is as follows:

1. Subject to Paragraph 2, all dwellings provided by the housing authority **under** the Housing Acts, 1966 to 1992 that are owned and let by them shall be offered for sale in their existing state of repair and condition, to those tenants who hold a tenancy from the authority of at least one year. A tenant shall be regarded as having held a tenancy for a year if
 - (a) the combined period of his/her tenancy and of the preceding tenancy (if any) held by a spouse is not less than one year
 - or**
 - (b) he/she bona fide resided in the dwelling for a period of at least one year either as the tenant or as a member of the household of the preceding tenant.
2. There shall **not** be offered for sale under the scheme a dwelling which -
 - (a) is a caravan, mobile home or structure or thing (whether on wheels or not) that is capable of being moved from one place to another or
 - (b) has been designed and occupied by one or more elderly person
 - (c) in the opinion of the housing authority, ought not be sold for reasons of good estate management or on account of their structural condition, or ought not be sold for the time being on account of any proposals the authority may have to carry out works or improvement to the dwelling.

3.
 - (a) The purchase price of each dwelling shall be its market value as reduced first by the amount of the discount under paragraph 4 and then by any allowance under paragraph 5
 - (b) In paragraph (a) “**market value**” means the amount which, in the opinion of the housing authority, the dwelling, if sold on the open market in its existing state of repair and condition and without reference to special conditions, might be expected to realise, reduced by the portion, if any, of such value that, in the opinion of the authority, is attributable to improvements to the house, other than those carried out by the authority.

4. The discount to be applied in determining the purchase price shall be 3% of the market value of the dwelling for each year of the reckonable period of tenancy, subject to a maximum discount of 30% plus €3,810. The following rules shall apply in determining the reckonable period of the tenancy for the purpose of calculating the discount:-
 - (a) any periods of tenancy in a local authority dwelling other than that being purchased shall be added to the tenancy period in the dwelling being purchased, provided both such periods are continuous:
 - (b) a widow or widower shall be allowed the continuous tenancy entitlement of the deceased spouse
 - (c) where a member of the household succeeds to a tenancy having being bona fide resident with the previous tenant for a continuous period of at least twelve months immediately prior to the previous tenant’s death or to his/her leaving the dwelling the tenancy discount to which the previous tenant would be entitled shall be allowed to the successor

- (d) where the reckonable period of tenancy exceeds a complete number of years by a portion of a year in excess of six months, it shall be rounded up to the next number of complete years
 - (e) the reckonable period of the tenancy shall be calculated up to the date of the making of the transfer order
 - (f) where the dwelling was previously sold to the purchaser or his/her spouse by the housing authority and the purchaser (or his/her spouse) has reverted to tenancy of the dwelling the period of occupation of the dwelling under the terms of the previous sale may be reckoned as if it were a period of tenancy.
5. After the discount has been determined, a further allowance shall be made in respect of the full amount of any capital paid by the purchaser or his/her spouse under the terms of a previous purchase of the dwelling from the authority.
- 6.
- (a) A sale under the scheme will grant title in fee simple in the dwelling or in the case of a dwelling being sold by way of a shared ownership lease for a leasehold title for 99 years.
 - (b) The purchaser shall have the option of purchasing the dwelling in fee simple or, in the case of a dwelling being sold under the shared ownership option, by way of a shared ownership lease for a term of 99 years subject to the payment of the yearly rent therein reserved and the performance and observance of the covenants on the part of the lessee and conditions therein contained and which such shared ownership lease will provide for the right of the purchaser to purchase, in one or more transactions, the interest of the housing authority in the dwelling at a consideration determined in accordance with the provisions of the shared ownership lease.

7.

- (a) Where the dwelling is being sold in fee simple, the purchase money for the dwelling shall be paid to the housing authority in full on the completion of the sale.
- (b) Where the dwelling is being sold by way of a shared ownership lease, the sum of money payable in respect of the grant of the lease shall be paid to the housing authority in full on the grant of the lease provided that the sum of money payable by the purchaser in respect of the grant of the lease shall not be less than 50% of the market value of the dwelling
- (c) In paragraph (2) “market value” means the amount which, in the opinion of the housing authority, the dwelling, if sold on the open market in its existing state of repair and condition might reasonably be expected to realise.
- (d) Where any portion of the purchase money in accordance with sub-article (1) or (2) is being financed by way of a loan by a housing authority to the purchaser under Section 11 of the housing (Miscellaneous Provisions) Act 1992 “paid” in sub-article (1) means the completion by the purchaser of a mortgage contract in respect of such loan.

8. No warranty by the housing authority shall apply or be deemed to be implied as to the state of repair or condition or the fitness for human habitation of any dwelling sold under this purchase scheme. All responsibility for the repair and maintenance of the dwelling shall rest with the purchaser.

9. The sale shall be exempt from stamp duty.

10. The following special conditions (as in Section 89 of the Housing Act 1966) shall apply to a dwelling sold under this purchase scheme:

- the dwelling shall, unless the housing authority otherwise allow, be occupied as a normal place of residence by the purchaser or the purchaser's successor in title or by a member of the purchaser's family or the family of his successor in title
- the dwelling or any part thereof shall not, without the consent of the housing authority, be mortgaged, charged or alienated otherwise than by devise or operation of the law.

These conditions shall apply to a dwelling sold outright for a period of 20 years from the date of the transfer order or, in the case of a dwelling purchased under the shared ownership option, for 20 years or the duration of the lease, whichever period is the longer.

11. This purchase scheme shall upon the date of its adoption by the housing authority have effect from the 1st day of May 1995 until terminated or replaced by another scheme.
12. Each tenant coming within the ambit of the scheme will be supplied with an application form and a copy of these provisions. A tenant wishing to avail of the scheme should lodge the completed application form with ***Waterford County Council's Housing Department, Civic Offices, Dungarvan.***
13. The completion of the application form does not constitute a Contract between the tenant and Waterford County Council for the sale of the dwelling and the contract will not be created until a County Manager's Order issues approving the disposal of the dwelling to the applicant for the purchase price as determined by Waterford County Council in the manner herein set out.

A sale of a dwelling under this scheme shall be effected by means of a Transfer Order made by Waterford County Council which shall be expressed and shall operate to vest, on the date specified in the Transfer Order, the interest specified therein, subject to such terms and conditions, including Special Conditions, as may be specified therein.

The Contract will be completed when Waterford County Council executes the Transfer Order vesting in the applicant the Fee Simple Interest in the dwelling or Leasehold interest in the case of a dwelling being sold by way of a shared ownership lease.

14. Waterford County Council will provide every tenant whose application to purchase a dwelling has been approved in principle with a letter (the offer letter) which such offer letter shall include the following:

(a) The location of the dwelling

(b) Waterford County Council's valuation of the dwelling for the purposes of determining the purchase price

(c) The amount of the discount and the basis on which it is calculated

(d) The nett purchase price (i.e. after discount) and

(e) The rent payment record of the Tenant for the previous three years, showing the amount of weekly rent

15. Tenants who have considered the offer letter and who still wish to proceed with Tenant Purchase will be required to:

Sign a statement that they have read and fully understood the conditions of this Tenant Purchase Scheme, particularly in relation to the purchase of the dwelling in its present repair condition and that Waterford County Council will have no obligation as to the repair and maintenance of the dwelling after sale and that the maintenance and repair of the dwelling after sale is the responsibility of the Tenant Purchaser.

16. Waterford County Council reserves the right to refuse any application for Tenant Purchase for any of the following reasons:

- (a) Waterford County Council may require the premises for the discharge of any of its statutory functions, powers or duties
 - (b) The applicant has not been a satisfactory tenant of Waterford County Council
 - (c) The applicant is in arrears of rent/service charges to Waterford County Council
 - (d) The applicant has failed to complete the necessary legal documents within the specified time limits
17. Where the Tenant appeals to Waterford County Council that the market value as assessed by Waterford County Council is excessive, he will be required to submit a Valuation Certificate from a recognised valuer to support his appeal. The extent (if any) to which Waterford County Council revise their original Valuation on receipt of such a valuation certificate from a recognised valuer is a matter entirely for Waterford County Council but, where the counter valuation differs significantly from that of Waterford County Council, the matter will be referred to the *Valuation Office, 6 Ely Place, Dublin 2* for a definitive valuation.
18. Until such time as Waterford County Council executes the Transfer Order vesting in the applicant the Fee Simple interest in the dwelling or Leasehold interest in the case of a dwelling being purchased by means of a shared ownership lease, the relationship of Landlord and Tenant and the terms of the Tenancy Agreement between Waterford County Council and the Tenant shall remain in full force and effect and shall not be affected by the completion of any document or the payment of any money or by the issuing of the County Manager's Order approving the disposal and in particular Waterford County Council may maintain legal proceedings for possession of the dwelling on foot of a Notice to Quit.

If the applicant dies at any time between the submission of the Application to purchase and the issuing of the County Manager's Order approving the disposal of the dwelling, the application shall be cancelled.

TENANT PURCHASE SCHEME 1995

Explanatory Memorandum

