

## Subletting Guide

### Shared Owners

Under the terms of your shared ownership lease it is likely that you are not permitted to sublet your home. However, in **exceptional circumstances** your landlord can provide you with consent to sublet your home for an initial term of **6-12 months**.

### **Why is subletting not normally allowed?**

The purpose of shared ownership is to help people who cannot afford to buy a home on the open market. Your Housing therefore needs to ensure that these properties are used for the purpose they were intended and remain as affordable housing and not for personal profit.

Prior to any application being considered and where possible, Your Housing will request that the property is placed on the open market and that you have actively tried to sell your property in the first instance or explored the option to purchase further shares. Where a shared owner has been able to purchase 100% of the property then it is likely that subletting will be permitted automatically although you will still need our consent or that of the Freeholder.

### **What are exceptional circumstances?**

Subletting will only be permitted if there is a genuine valid reason for doing so. Some examples of these are:

- The offer of temporary employment which is not within reasonable commuting distance.
- To care for a sick relative or to be cared for
- A prison term
- You have had a change in circumstances which means your property is no longer suitable as your home.
- The property is in negative equity and you are unable to maintain your mortgage / rent payments.
- If there is another valid reason, we shall consider each application on its own merits.

## **Who will be liable for the property?**

Consideration needs to be given to the following, before you make a final decision to request consent to sublet:

### **Conduct of Your Tenants**

Even though you're not living at the property the lease you have with us is still valid. This means that all the covenants (promises) in the lease still apply and if they are breached you will be liable. If your tenant breaches a covenant (for example making noise nuisance) then you will be contacted by us to remedy the situation.

If the behaviours continue, then we may have to consider actions such as revoking subletting approval or in extreme cases forfeiture of the lease.

### **Repairs and Maintenance**

If you live in a house, you are responsible for repairs to the property internally and externally and alongside internal repairs you must ensure that gardens, driveways and external decoration are maintained.

If you live in an apartment or have use of any communal areas then you are responsible for any internal repairs but Your Housing Group or the Management Company are responsible for any external and communal repairs, the cost of which, is collected through your service charge.

The above needs to be adhered to irrespective of a tenant being in place. If the property looks un-maintained, you will be contacted by us to resolve these matters.

### **Damage to Property**

If your tenants or their visitors cause damage to common areas or the property you will remain liable to pay for the repairs and redecoration.

## **Who do I need to notify?**

Your **Mortgage Lender** needs to approve the sublet. You will need to seek their permission before you consider subletting your home.

## **Next Steps**

Once you have considered all the above and obtained your mortgage lenders consent, you will need to complete an application form stating your reasons for wanting to sublet and provide supporting information with regard to your income and expenditure to ensure that no profit will be made from the sublet.

Your Housing will then assess your application and provide you with a response within 10 days. If your application is successful, then we will provide you with **provisional** consent for a period of **6-12 months only**. Formal consent will **only** be given upon receipt of the administration fee of £50 plus VAT and upon receipt of the following information or documents:

- Copy of the Tenancy Agreement (this must be an Assured Shorthold Tenancy agreement)
- Copy of your annual gas safety inspection, if applicable
- A forwarding address and contact number for you as the Leaseholder.
- Details of the Agent managing the property, if applicable
- Contact details for your tenant
- Where a local occupancy restriction occurs in the lease, evidence is required that the tenant meets these criteria.

### **Are there any conditions?**

The following conditions will be imposed following any consent to sublet:

- Permission will be reviewed every 6 or 12 months, depending on the consent given.
- The property may be sublet for a maximum period of 2 years in total.
- The rent charged shall not result in a profit being made by the Leaseholder.
- The Leaseholder will remain liable for the property and all payments relating to the property in accordance with the lease.
- Where there is a local occupancy restriction in accordance with the lease then this restriction needs to be applied to any tenants.
- It is advised that you obtain your own Landlord insurance to cover the risk of rent loss, damage etc caused by the tenant.

### **What if I sublet my home without permission?**

If Your Housing are led to believe that a property is being sublet without permission, then this would be classed as a serious breach of your lease, and we could take legal action which may result in you losing your home.

Your mortgage lender will also be informed which could affect your agreement with them.

## **Contact**

Should you have any further questions in relation to the above then please contact our Home Ownership Team on 01925 592610 or email [ho.jobshare@yourhousinggroup.co.uk](mailto:ho.jobshare@yourhousinggroup.co.uk)

