Sanctuary

Right to Acquire: what you can expect from us

If you're eligible, Right to Acquire could help you buy the home you rent from us at a discount. This guide explains who may qualify, how to apply, the main deadlines and what happens if you decide to buy your home.

Who may qualify

You may qualify if your home and tenancy meet the scheme rules. We'll check both when you apply.

- You must rent the property as your main home.
- You must have a secure or assured tenancy that is covered by the scheme.
- Your home must be self-contained and meet the rules on public funding.
- Your home must have remained available as social housing.
- You must have rented from a public sector landlord, or lived in armed forces housing, for the required length of time.

Your partner can apply with you if the property is their only or main home. Up to three other family members can also apply with you if they have lived there for at least 12 months. This 12-month rule does not apply to your spouse.

When the scheme may not apply

You cannot use Right to Acquire in some circumstances, including if:

- your home is in a designated rural area where the scheme does not apply
- the debt linked to the property is the same as, or more than, the price of the home plus the discount
- a court has ordered you to leave your home
- you have a current bankruptcy petition, you are an undischarged bankrupt, or you have an arrangement with creditors that has not ended
- a court has reduced or suspended your tenancy because of antisocial behaviour

There are other reasons why a property or tenancy may not qualify. We'll check these when we review your application.

How to apply and what happens next

1. Send us a Right to Acquire application form (RTA1). We'll also ask you for proof of your identity and address, and information about how you plan to pay for your home.

2. We check whether you qualify. We'll look at your tenancy history, your home, any relevant court or bankruptcy information and the scheme's financial rules.

3. We will value your home. A qualified valuer will work out how much your home would sell for on the open market.

4. We tell you our decision. We'll send you an RTA2 notice within four weeks. It may take up to eight weeks if we need information from a previous landlord. If you do not qualify, we'll explain why.

5. We will make you an offer. We will send you a Section 125 offer notice. We will do this within eight weeks of our decision if your property is a house or 12 weeks for a flat. Your offer will include the price, valuation, discount, property details, any relevant defects, your rights, estimated service charges and any proposed significant works.

6. You decide whether to go ahead. You have 12 weeks from the Section 125 offer notice to return the Section 125D notice to tell us if you want to continue and to provide your solicitor details. If you do not respond, we send an Section 125E notice giving you 28 more days. If you still do not reply, we treat your application as withdrawn.

7. The legal sale begins. If you accept the offer, we will instruct our solicitor who will prepare the transfer or lease. Checks will be made before completion, including anti-money laundering checks, confirmation of funds, any debts and reviewing the legal documents. The sale should be completed within three months of you accepting the offer, provided there are no outstanding issues.

Your offer and discount

The price you pay is the market value of your home, minus the discount set by the government. The discount depends on the area where you live and cannot be more than 50% of your home's market value.

If you will need to pay service charges, your offer will include estimates. If you are buying a flat, it will also include estimates for certain major work planned for the next five years and six months.

If you disagree with the valuation

You must write to us within three months of the date on your Section 125 offer notice. We will ask the District Valuer, an independent government valuer, to decide the value. Once they have made their decision, you or we have 28 days to ask for a review. A review is only available if the decision was based on incorrect facts.

If you do not reply or the sale is delayed

If you do not reply to the Section 125 offer notice within 12 weeks, we will send a S125E notice giving you another 28 days. If you still do not reply, we will treat your application as withdrawn.

The sale should complete within three months of the offer if we have no outstanding matters to deal with. If the sale does not progress, we may send you two notices to complete. The first notice gives you 56 days to complete, if the purchase hasn't completed, we may send you a second notice giving you another 56 days. If the sale still does not complete, we may cancel your application.

Before completion

We will agree a completion date with the solicitors and give at least four weeks' notice. Before the sale completes, you must pay any rent arrears, service charges and other money you owe us. If you owe less than four weeks' rent, this can be paid on completion with the completion funds for the property. We do not have to complete the sale if any amount has been unpaid for four weeks or more.

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If you sell the home later

If you sell your home within five years, you may have to repay some or all of the discount. The amount is based on the original discount percentage and the home's resale value. It reduces by one fifth for each complete year after purchase:

- year one: up to 100% of the discount percentage
- year two: up to 80%
- year three: up to 60%
- year four: up to 40%
- year five: up to 20%

No repayment is due after year five. Any increase in value caused by improvements you made is ignored when repayment is calculated.

For ten years after you buy, you or a later owner must first offer the home back to the former landlord before selling it. This requirement is recorded against the property title and as a Local Land Charge.

Service charges

You may need to pay service charges whether your home is a house or flat. These charges can cover shared services, repairs, insurance, management costs, money set aside for future work, planned work and improvements. We'll give you the relevant accounts and estimates during the sale.

If there is a delay

If we cause a delay and do not write to explain it, you can make a complaint. You can also contact the Housing Ombudsman, the government department responsible for housing or Homes England. If the delay is not justified, you may be able to send us a formal delay notice.