

HOUSING AND REGENERATION ACT 2008

EXPLANATORY NOTES

STRUCTURE OF THE ACT

Part 3 – Other Provisions

Chapter 2 – Landlord and tenant matters

Leasehold enfranchisement

Section 301 - Shared ownership leases: protection for certain leases

867. Schedule 4A to the Leasehold Reform Act 1967 provides for the exclusion of certain shared ownership leases of houses from the operation of Part 1 (the enfranchisement provisions) of that Act. Section 301 inserts paragraph 3A into Schedule 4A. Paragraph 3A sets out the conditions that must be satisfied in order for a shared ownership lease granted by a landlord, other than a housing association, to be excluded from the operation of Part 1.
868. The conditions are similar to those that apply in relation to shared ownership leases granted by housing associations, but additionally the appropriate national authority (being the Secretary of State in England, and the Welsh Ministers in Wales) may prescribe other conditions that must be satisfied or prescribe exemptions.
869. The aim is to encourage more shared ownership housing to be made available, by giving non-housing association providers of such accommodation the same protection against the risk of enfranchisement as is afforded to housing associations. In particular, the provisions can be used to prevent a tenant from acquiring the right to enfranchise before the tenant has acquired 100% of the equitable interest in the house.
870. The amendment will not apply to leases granted prior to the commencement of the section.