

## What is Subletting

Subletting is where you move out and rent out the whole of your home to another person or family. As a Shared Owner you don't have the right to sublet your home, but Tamar may give permission in certain circumstances. This leaflet sets out in what circumstances this is permitted.

## What About Lodgers

Taking in a lodger is where you rent out a room in your home to someone else but you keep living in the property. As a Shared Owner you are able to take in a lodger but you must make sure that;

- You inform Tamar that you are taking in a lodger
- Don't give your lodger a tenancy agreement
- You don't move out
- The lodger doesn't have exclusive use of any part of your home except their bedroom.

It's certainly a good way to increase your income and so long as you follow the rules there should be no problems. Remember though that you should check that there are no tax implications by visiting [www.direct.gov.uk](http://www.direct.gov.uk).

## Why is Subletting not Normally Allowed?

The money to build Shared Ownership homes is public money allocated to help people who can't afford to buy a home on the open market. Tamar is expected to ensure that such public money is used for the purpose it was allocated for and not for personal profit. Because of this Tamar does not generally allow residents to let their homes to another family.

In addition your lease will include a section which prohibits subletting without Tamar's permission.

However, we do understand that in some circumstances it would be unfair not to allow a Shared Owner to sublet their home, but only for a temporary period.

## Who Else Should I Inform?

You will need to seek the permission of your Mortgage Lender before you consider subletting your home. Tamar will need to see evidence that you have their permission before we can consider any application to sublet. You will also need to inform your insurers.

## What if I Sublet My Home Without Permission

Where Tamar finds out that a Shared Ownership home has been sublet we will pursue the matter in the County Court. This could result in you losing your home, so it's a serious matter.

## When Can I Sublet My Shared Ownership Home?

Subletting will only be allowed when there is a valid reason, such as;

- a) There is a temporary reason why the you have to live elsewhere, for example;
  - To care for a sick relative or to be cared for
  - To take up temporary employment, education or training which is not within reasonable commuting distance
  - A prison term
- b) The property is in negative equity and you have had a change in circumstances which mean that your property is no longer suitable as your home
- c) The property is in negative equity and you are unable to maintain your mortgage payments

Tamar will not withhold consent to sublet your home if you have one of the reasons above or if you have another valid reason. If your circumstances don't fit the conditions above then you should still contact the office as we will look at each case on its own merits.

## Evidence Required

In order to support any application to sublet a property, Tamar will expect the you to provide documentary evidence. This might include Doctor's letters, offers of employment, valuation documents, mortgage statements etc.

## Shared Owners Subletting

### Are There Any conditions?

Yes, Tamar will impose the following conditions to any request for subletting

- That permission to sublet is renewed every 6 months
- That the property may be sublet for a maximum of 2 years in total or only one year for cases for a temporary reason (item (a) above)
- That the rent charged must be under the Local Housing Allowance (The highest amount that Housing Benefit will pay for a property)
- That the rent charged may not result in a profit being made by subletting, although reductions in arrears are allowed
- Where there is a restriction as to what categories of people can apply for a Shared Ownership property, this restriction will also apply to anyone subletting the property (for example having a local connection)
- Tamar may set other restrictions as to who the property may be let to

If rent arrears increase during a period of subletting then permission to sublet the property will be withdrawn.

### How Do I Apply

You can apply to sublet your Shared Ownership home by writing to Tamar. We will need to know the reasons why you want to sublet your home, see any evidence you have to support your application and know that you have spoken to your mortgage company.

If you are planning to use a lettings agent they will be able to provide you with a tenancy agreement. In any case we will need to see your proposed tenancy agreement. Whether your application is approved or not, we will tell you in writing.

**Please remember, it is still your responsibility to make sure that the tenants who sublet your property do not cause a nuisance to your neighbours.**

