

Renting of Discount Market Value Properties Homeowner Guidance Note

Approved by the Director Planning - 3rd December 2019

This note guides the applicant/homeowner through the process of letting/renting your Discount Market Value (DMV) property. DMV property sales are controlled and normally only permitted for use as the owner's sole main residence. Consideration to the renting out of such a property can therefore only be in exceptional circumstances.

Step 1:

Contact the Housing Enabling team at Northumberland County Council to make them aware that you intend to ask for approval to let out your Discount Market Value property. The Owner must provide full details as to why they need to rent out their home and provide details of the expected duration of the rental period.

Note: You cannot progress to step 2 until step 1 is agreed.

Step 2:

Contact local estate agents for three rent comparables. However, at this stage please make them aware that the property is an Affordable Rent property and is rented at 80% of what the open market rent would otherwise be. Once three comparables have been obtained, please send them to the Housing Enabling team who will approve a suitable average rent. The Housing Enabling team holds the right to do their own comparables to identify a suitable affordable rent.

Note: You cannot progress to step 3 until step 2 is agreed.

Note: The 80% affordable rent <u>must</u>include any service charges.

Step 3:

Contact the Private Landlord team to organise the following:

• Get the DMV property accredited by Northumberland County Council (an inspection of the property will be required).

- Provide them with the following information:
 - 1. Proof of mortgage to rent (or a letter from your mortgage company confirming it is ok to rent the property out on existing mortgage);
 - 2. Proof of Building Insurance;
 - 3. Copy of the Energy Performance Certificate (EPC) for the property please check the EPC Register;
 - 4. Copies of the property's Gas and Electrical Safety Certificates.

The Private Landlord team provides:

- Accreditation to the Northumberland County Council DMV scheme;
- Advertising of the property;
- A list of potential tenants (the landlord will need to arrange viewings);
- Obtaining tenancy references.

Step 4:

Once a tenant is found and is identified as being in "Housing Need" under the Northumberland Homefinder Common Allocation Policy, please send the tenancy agreement with the agreed affordable rent, landlord's signature and the new tenant's signature to the Housing Enabling team for final approval.

Advisory Note:

- The Tenancy Agreement needs to be provided by the landlord.
- The tenant is the landlord's responsibility once residing in the property

Contact Details

Housing Enabling Team (Planning Policy)

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Private Landlord Team

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