

## Information about Rural Housing Burdens

A rural housing burden (RHB) is a right or pre-emption that enables the issuer, in this case Ekopia, to buy back a property at a discounted percentage of its open market value.

What this means is that:

- i) The initial purchaser is able to buy the property at less than market value. The percentage discount will be fixed at an early stage.
- ii) When this purchaser wishes to sell the property the ideal outcome is that another purchaser who meets the relevant criteria for affordable housing purchase comes forward and also buys it at the same discounted percentage. In effect the RHB is rolled over and has the same effect on the second and indeed subsequent purchases.
- iii) In the unlikely event that no such person comes forward the RHB allows Ekopia to purchase the house from the seller at the discounted price. The difference between the market value and the discounted price is then (subject to funders' agreement) then available to support affordable housing on other properties.

More information about the details of RHB is available at the websites below:

<https://ruralhousingscotland.org/rural-housing-burdens>

<https://www.chtrust.co.uk/rural-housing-burden1.html>

<https://www.gov.scot/publications/housing-burdens/>

The specific wording of a 'Memorandum of Agreement' between Ekopia and Duneland Ltd. will form part of the missives when you purchase one of these houses. Your legal advisor will be involved in this process.