



Leasehold (Enlargement and Extension) Act (Northern Ireland) 1971

1971 CHAPTER 7

16^{F1} Discharge of mortgages on lessor's estate.

- (1) A conveyance of the fee simple for the purposes of this Act shall be effective to discharge any mortgage of the lessor's estate in the land so conveyed (not being a mortgage subject to which the conveyance is required to be made) together with any order for the enforcement of the mortgage, and to extinguish any term of years created for the purpose of the mortgage, without the mortgagee being a party to or executing the conveyance.
- (2) Where a mortgage is discharged by virtue of the operation of subsection (1), the lessee to whom the fee simple is conveyed shall in the first instance pay the purchase price to the mortgagee under the mortgage in satisfaction of the mortgage debt and the mortgagee shall deal with the purchase price so paid, and account to the mortgagor therefor, as if the price were the proceeds of a mortgagee's power of sale for the enforcement of the mortgage and if the purchase price is not so paid to the mortgagee by the lessee the land shall remain subject to the mortgage, and to that extent subsection (1) shall not apply.
- (3) Where by virtue of this section land is discharged from a mortgage and the obligations secured by the mortgage are not satisfied by the payment of the purchase price, or of part thereof, the discharge shall be without prejudice to any right or remedy for the enforcement of those obligations against other property comprised in the same or any other security, and to any personal liability as principal or otherwise of the mortgagor or of any other person.

F1 functions transf. 1982 NI 6

Changes to legislation:

There are currently no known outstanding effects for the Leasehold (Enlargement and Extension) Act (Northern Ireland) 1971, Section 16 .