

SCHEDULES

SCHEDULE 2

REPURCHASE

PART I

ACQUISITION OF INTEREST

The price

1.—(1) The price payable for the acquisition of an interest in pursuance of Part II of this Order is 95 per cent. of the value of that interest at the relevant time.

(2) In this Schedule “the relevant time” means the time at which the notice under Article 9(2) is served on the person entitled to assistance.

The value

2.—(1) For the purposes of this Schedule, the value of an interest in a defective dwelling at the relevant time is the amount which, at that time, would be realised by a disposal of that interest on the open market by a willing seller to a person other than the Executive on the assumptions specified in sub-paragraph (2) and on the basis that no account is to be taken of any right to the grant of a tenancy under Article 11.

(2) Those assumptions are—

- (a) that none of the defective dwellings to which the designation in question relates are affected by the qualifying defect;
- (b) that no liability has arisen or will arise under a covenant required by Article 10 of the Order of 1983 or paragraph 6(1) or 7(1) of Schedule 6 (covenant to repay discount or, in the case of an equity-sharing lease, pay for outstanding share) or any covenant to like effect;
- (c) that no obligation to acquire the interest arises under Part II of this Order;
- (d) where, at the time at which the value of the interest falls to be considered, there has been since the relevant time a material change in circumstances affecting the value of the interest, that the change had occurred before the relevant time; and
- (e) that (subject to the preceding paragraphs) the seller is selling with and subject to the rights and burdens with and subject to which the disposal is to be made.

Determination of value

3.—(1) Any question arising under this Schedule as to the value of an interest in a defective dwelling shall be determined by the district valuer in accordance with this paragraph.

(2) Within the period beginning with the service on the person entitled to assistance of a notice under paragraph (2) of Article 9 and ending with the service of a copy of the agreement drawn up

under paragraph (4) of that Article for execution by the parties, the person entitled to assistance or the Executive may, by notice in writing served on the district valuer, require the value to be determined or redetermined.

(3) If, after the end of that period but before the parties enter into an agreement for the acquisition of the interest of the person so entitled, there is a material change in circumstances affecting the value of the interest, that person or the Executive may by notice in writing served on the district valuer before the parties enter into such an agreement require that value to be determined or redetermined.

(4) In any case where, in accordance with sub-paragraph (3), the district valuer is required, after the end of the period referred to in sub-paragraph (2), to determine the value of an interest, then—

(a) the Executive shall, within 3 months of all the provisions of the agreement for the acquisition of the interest of the person so entitled by the Executive being agreed or determined, draw up an agreement for execution by the parties embodying those provisions and serve a copy of the agreement on that person; and

(b) paragraph (5) of Article 9 shall, instead of applying in relation to the agreement drawn up under paragraph (4) of that Article, apply in relation to the agreement drawn up under head (a) of this subparagraph.

(5) Before making a determination in pursuance of this paragraph, the district valuer shall consider any representation made to him by the person so entitled or the Executive within 4 weeks from the service of the notice under this paragraph.

(6) A person serving notice on the district valuer under this paragraph shall serve notice in writing of that fact on the Executive or, as the case may be, the person so entitled.

(7) In this paragraph “district valuer” has the meaning given in Article 2(2) of the Rates (Northern Ireland) Order 1977.

Effect of acquisition

4.—(1) Where an interest acquired in pursuance of Article 9 is or includes a dwelling in relation to which a grant has been paid under Part III of the Order of 1983—

(a) any conditions imposed under or by virtue of that Part as conditions of the grant shall cease to be in force with respect to the dwelling with effect from the time of disposal of the interest, and

(b) the owner for the time being of the dwelling shall not be liable to make in relation to the grant any payment under any grant condition made under Article 69(2)(c) of the Order of 1983 unless the liability to do so arises from a demand made before the time of disposal of the interest.

(2) In sub-paragraph (1)—

(a) “dwelling” means a house as defined in Article 2(2) of the Order of 1981, and

(b) owner has the same meaning as in that Article.

Changes to legislation:

There are currently no known outstanding effects for the The Housing (Northern Ireland) Order 1986, PART I.