

SCHEDULES

SCHEDULE 2

RECIPIENTS OF DEPRECIATION PAYMENTS: SPECIAL CASES

Mortgages

- 1 (1) Subject to paragraph 2 below, where the Corporation are satisfied that the interest in the property in question of any person to whom, apart from this paragraph or paragraph 4 below, the whole or part of a depreciation payment would fall to be made was subject to a mortgage at the time when the subsidence damage became evident (“the relevant time”), the payment or that part of the payment shall be paid to the mortgagee.
- (2) The mortgagee shall be liable to account for such a payment as if it had been proceeds of sale of the mortgaged interest arising under a power of sale exercised by the mortgagee at the relevant time, except that the mortgagee shall not be entitled to credit for any costs incurred by him in connection with the claiming, ascertainment, apportionment or making of the payment.
- (3) In this paragraph and paragraph 2 below “mortgage”, in relation to property situated in Scotland, means a heritable security within the meaning of section 9 of the Conveyancing and Feudal Reform (Scotland) Act 1970, and “mortgagee”, in relation to such property, means the creditor under the heritable security.