

SCHEDULE 3

TRANSITIONAL MODIFICATIONS TO PART V OF THE HOUSING ACT 1985

3. For section 142(1) (when qualifying person is entitled to defer completion) substitute—

(1) A qualifying person is entitled to defer completion if—

- (a) his reckonable amount calculated in accordance with Schedule 6B (or the aggregate of such amounts where the right to buy is being exercised by more than one person) is less than the purchase price of the qualifying dwelling-house;
- (b) he has, within the period mentioned below, served on the landlord a notice claiming to exercise the right to defer completion; and
- (c) he has, within the same period, deposited the sum of £150 with the landlord.

(2) The notice must be served and the sum of £150 deposited within the period of three months beginning with the service on the qualifying person—

- (a) where he exercised his right under section 128 (determination of value by district valuer), of the notice under subsection (5) of that section (further notice by landlord after determination), or
- (b) where he does not exercise that right, of the notice under section 125 (landlord's notice of purchase price and other matters),

or within that period as extended in writing by the landlord.

(3) Where a qualifying person has served on the landlord a notice under subsection (1) (b), the landlord shall, as soon as practicable after the date on which the notice is served, serve on the qualifying person a notice either—

- (a) admitting the qualifying person's right to defer completion, or
- (b) denying it and stating the reasons why, in the landlord's opinion, the qualifying person does not have the right.

(4) If in pursuance of a notice under this section the qualifying person deposits the sum of £150 with the landlord, then—

- (a) if he completes the transaction, the sum shall be treated as having been paid towards the purchase price, and
- (b) if he does not complete the transaction but withdraws his notice claiming to exercise the right to buy, or is deemed to have withdrawn it by virtue of section 141(4) (effect of failure to comply with landlord's second notice to complete), the sum shall be returned to him."

(1) Section 142 was repealed by Schedule 22 to the Leasehold Reform, Housing and Urban Development Act 1993 subject to the transitional provisions in S.I. 1993/