

SCHEDULE 1

Regulation 2(1)

MODIFICATIONS TO PART V OF THE HOUSING ACT 1985

1. In the provisions of Part V, in the expressions—
 - (a) “secure tenant” omit “secure” save for the reference to secure tenant in sections 127(4), 127(4A), 136(1), 185, and 188; and
 - (b) “secure tenancy” omit “secure” save for the reference to secure tenant in sections 127(4), 136(1), 185 and 188.
2. In the provisions in Part V, for the expression “right to buy” substitute the expression “right to acquire” save for the references to the right to buy in section 122(4) and section 130(2)(aa)(1).
3. For section 118(1) (the right to buy) substitute—
 - (1) A tenant of a registered social landlord who satisfies the conditions in section 16(1) (a) and (b) of the Housing Act 1996(2) has the right to acquire, that is to say, the right, in the circumstances and subject to the conditions and exceptions stated in the following provisions of this Part—
 - (a) if the dwelling-house is a house and the landlord owns the freehold, to acquire the freehold of the dwelling-house,
 - (b) if the landlord does not own the freehold or if the dwelling-house is a flat (whether or not the landlord owns the freehold), to be granted a lease of the dwelling-house.”
4. At the end of section 122 (tenant’s notice claiming to exercise the right to acquire) add—

“(4) The tenant shall not make an application to acquire the dwelling-house under section 16 of the Housing Act 1996 (right of tenant to acquire dwelling) at any time when the tenant has made an application to buy under this Part, as it applies in relation to the right to buy and the preserved right to buy, which has not been withdrawn by the tenant or denied by the landlord, but nothing in this subsection shall prevent the tenant withdrawing such an application and submitting an application under section 16 of the Housing Act 1996 (right of tenant to acquire dwelling)”.
5. After section 124 (landlord’s notice admitting or denying the right to buy)(3) add—

“Landlord’s offer of an alternative dwelling-house

124A.—(1) Where the landlord, in his notice under section 124 (landlord’s notice admitting or denying the right to acquire), admits the tenant’s right to acquire, he may offer to make a disposal to that tenant of an alternative dwelling-house.

 - (2) The tenant may refuse the landlord’s offer of an alternative dwelling-house.
 - (3) If the tenant accepts the landlord’s offer of an alternative dwelling-house the provisions of this Part shall apply to the alternative dwelling-house.”
6. In section 125 (landlord’s notice of purchase price and other matters)—
 - (a) in subsection (2)(c) omit “stating the period to be taken into account under section 129 (discount)” and “or section 131(1) or (2) (limits on the amount of discount)”; and
 - (b) in subsection (5)(4) omit sub-paragraphs (e) and (f).

(1) Section 130(2)(aa) was added by paragraph 29 of Schedule 5 to the Housing and Planning Act 1986.

(2) 1996 c. 52.

(3) Section 124(3) was repealed by Schedule 22 to the Leasehold Reform, Housing and Urban Development Act 1993.

(4) Section 125(5) was substituted by section 104 of the Leasehold Reform, Housing and Urban Development Act 1993.

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7. In section 125A (2)(b)(5) (estimates and information about service charges) omit the words from “and section 450A” to the end of the subsection.

8. For section 125 D(1)(6) (tenant’s notice of intention) substitute—

“(1) Where a notice under section 125 has been served on a tenant, he shall within the period specified in subsection (2) serve a written notice on the landlord stating either that he intends to pursue his claim to exercise the right to acquire or that he withdraws that claim.”.

9. For section 126(1)(b) (purchase price) substitute—

“(b) the discount to which the purchaser is entitled under an order under section 17 of the Housing Act 1996 (the right to acquire: supplementary provisions).”.

10. In section 127 (value of the dwelling-house)—

(a) in subsection (1)(b) for “subsection (4)” substitute “subsections (4) and (4A)”;

(b) in subsection (3) omit “(but subject to sub-paragraph (3) of that paragraph)”; and

(c) for subsection (4) substitute—

“(4) Where the tenant is a secure tenant the persons referred to in subsection (1)(b) are—

(a) the secure tenant,

(b) any person who under the same tenancy was a secure tenant before him,

(c) any member of his family who, immediately before the secure tenancy was granted, was a secure tenant of the same dwelling-house under another tenancy,

but do not include, in a case where the secure tenancy has at any time been assigned by virtue of section 92 (assignments by way of exchange), a person who under that tenancy was a secure tenant before the assignment.

(4A) Where the tenant is an assured tenant the persons referred to in subsection (1)(b) are—

(a) the assured tenant,

(b) any member of his family—

(i) who was an assured or secure tenant before him under the same tenancy, or

(ii) who, immediately before the tenancy was granted, was an assured or secure tenant of the same dwelling-house under another tenancy.”.

11. In section 129(7) (discount)—

(a) in subsection (1) for the words after “entitled to a discount of” substitute “such amount or at such rate as the Secretary of State may by order prescribe.”;

(b) at the end of subsection (1) insert—

“(1A) Where, under section 124A(3) (landlord’s offer of an alternative dwelling-house), the tenant has accepted the landlord’s offer of an alternative dwelling-house, the discount to which the tenant is entitled shall be the discount prescribed under section 17 of the Housing Act 1996 in relation to that alternative dwelling-house.”; and

(c) omit subsections (2), (2A), (2B) and (3).

12. In section 130(2) (reduction of discount where previous discount given) after sub-paragraph (b) add—

(5) Section 125A was inserted by section 4(2) of the Housing and Planning Act 1986.

(6) Section 125D was inserted by section 105 of the Leasehold Reform, Housing and Urban Development Act 1993.

(7) Section 129 was amended by section 2 of the Housing and Planning Act 1986.

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“(c) in pursuance of any provision of, or required by, this Part as it has effect by virtue of section 17 of the Housing Act 1996 (the right to acquire: supplementary provisions).”.

13. Omit section 131 (limits on amount of discount)(8).

14. In section 136(9) (change of secure tenant after notice claiming right to buy) after subsection (1) insert—

“(1A) Where, after an assured tenant (“the former tenant”) has given a notice claiming the right to acquire, another person (“the new tenant”) becomes—

(a) the assured tenant by virtue of section 17 of the Housing Act 1988 (succession by spouse on tenant’s death), or

(b) the assured tenant under a statutory tenancy arising by virtue of section 5 of the Housing Act 1988 (statutory assured tenancy on the end of fixed term tenancy),

the new tenant shall be in the same position as if the notice had been given by him and he had been the tenant at the time it was given.”.

15. For section 140(3)(10) (landlord’s first notice to complete) substitute—

“(3) A notice under this section shall not be served earlier than twelve months after the service of the landlord’s notice under section 125 (notice of purchase price and other matters).”.

16. Omit sections 143 to 153(11) (right to acquire on rent to mortgage terms).

17. Omit sections 153A(12) (tenant’s notices of delay) and 153B(13) (payments of rent attributable to purchase price etc.).

18. For section 154(1) (registration of title)(14) substitute—

“(1) Where the landlord’s title to the dwelling-house is not registered, section 123 of the Land Registration Act 1925 (compulsory registration of title) applies in relation to the conveyance of the freehold or the grant of a lease in pursuance of this Part, whether or not the dwelling-house is in an area in which an Order in Council under section 120 of that Act is for the time being in force (areas of compulsory registration) and, in the case of a lease, whether or not the lease is granted for a term of more than 21 years.”.

19. In section 155 (repayment of discount on early disposal)—

(a) in subsection (2)(15) omit the words “In the case of a conveyance or grant in pursuance of the right to buy”; and

(b) omit subsections (3)(16) and (3A)(17).

20. In section 156 (liability to repay is a charge on the premises)—

(8) Section 131 was amended by section 122 of the Housing Act 1988.

(9) Section 136(2) was substituted and subsections (3), (4) and (5) repealed by section 105(2) of the Leasehold Reform, Housing and Urban Development Act 1993.

(10) Section 140(3) was substituted by paragraph 12 of Schedule 21 to the Leasehold Reform, Housing and Urban Development Act 1993.

(11) Sections 143 to 151 were substituted by sections 108 to 116 of the Leasehold Reform, Housing and Urban Development Act 1993; sections 151A and 151B were inserted by sections 117 and 118 of the 1993 Act; sections 152 and 153 were amended by section 119 of the 1993 Act.

(12) Section 153A was inserted by section 124 of the Housing Act 1988 and amended and partly repealed by Schedules 21 and 22 to the Leasehold Reform, Housing and Urban Development Act 1993.

(13) Section 153B was inserted by section 124 of the Housing Act 1988 and amended and partly repealed by Schedules 21 and 22 to the Leasehold Reform, Housing and Urban Development Act 1993.

(14) Section 154(1) was amended by section 2(3) of the Land Registration Act 1986.

(15) Section 155(2) was amended by section 2(3) of the Housing and Planning Act 1986.

(16) Section 155(3) was substituted by section 120(1) of the Leasehold Reform, Housing and Urban Development Act 1993.

(17) Section 155(3A) was inserted by paragraph 41 of Schedule 17 to the Housing Act 1988 and amended by section 120(2) of the Leasehold Reform, Housing and Urban Development Act 1993.

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- (a) for subsection (2)(18) substitute—
 - “(2) Subject to subsections (2A) and (2B), the charge has priority immediately after any legal charge securing an amount advanced to the tenant by an approved lending institution for the purpose of enabling him to exercise the right to acquire.”,
 - (b) in subsection (2A)(19)(a) omit the words “paragraph (a) or (b) of”, and
 - (c) in subsection (4A)(20) omit paragraph (a).
21. Omit section 157 (restriction on disposal of dwelling-houses in National Parks etc.)(21).
22. Omit section 158 (consideration for reconveyance or surrender under s. 157)(22).
23. In section 162 (exempted disposals which end liability under covenants) for the words after “used for the purpose of dwelling-house)” substitute—
“the covenant required by section 155 (repayment of discount on early disposal) is not binding on the person to whom the disposal is made or any successor in title of his, and that covenant and the charge taking effect by virtue of section 156 cease to apply in relation to the property disposed of.”.
24. In section 163 (treatment of options) omit subsection (2).
25. Omit sections 164 to 170 (various powers of the Secretary of State).
26. Omit section 171 (power to extend the right to buy, etc.).
27. Omit sections 171A to 171H (preservation of the right to buy on disposal to private sector landlord)(23).
28. Omit section 173 (exclusion of shared ownership leases granted under this Part).
29. For section 174 (leases granted under this Part to be treated as long leases at a low rent) substitute—

“174 Leases granted under this Part to be treated as long leases at a low rent

174. For the purposes of Part I of the Leasehold Reform Act 1967 (enfranchisement and extension of long leaseholds) a tenancy created by the grant of a lease in pursuance of this Part of a dwelling-house which is a house shall be treated as being a long tenancy notwithstanding that it is granted for a term of 21 years or less.”.

30. In section 176 (notices)—
- (a) omit subsections (1) and (2);
 - (b) for subsection (4) substitute—
 - “(4) A notice to be served by the tenant on the landlord under this Part may be served by leaving it at, or sending it to, the principal office of the landlord or the office of the landlord with which the tenant usually deals.”; and
 - (c) omit subsection (5).

(18) Section 156(2) was substituted by section 120(3) of the Leasehold Reform, Housing and Urban Development Act 1993.
(19) Section 156(2A) was inserted by section 120(3) of the Leasehold Reform, Housing and Urban Development Act 1993.
(20) Section 156(4A) was inserted by section 120(4) of the Leasehold Reform, Housing and Urban Development Act 1993.
(21) Section 157 was amended by section 126 and paragraph 106 of Schedule 17 to the Housing Act 1988.
(22) Section 158 was amended by the Housing and Planning Act 1986 Schedule 5 paragraph 1 and by the Leasehold Reform, Housing and Urban Development Act 1993 Schedule 21 paragraph 15.
(23) Sections 171 A-H were added by section 8 of the Housing and Planning Act 1986; section 171B was amended by section 127(1) of the Housing Act 1988; section 171C was amended by Schedule 21 paragraph 19 and partly repealed by Schedule 22 to the Leasehold Reform, Housing and Urban Development Act 1993.

31. Omit section 177(24) (errors and omissions in notices).

32. For section 178 (costs)(25) substitute—

“178 Costs

178. An agreement between the landlord and a tenant claiming to exercise the right to acquire is void in so far as it purports to oblige the tenant to bear any part of the costs incurred by the landlord in connection with the tenant’s exercise of that right.”

33. In section 179(26) (provisions restricting right to buy etc. of no effect)—

(a) in subsection (1)(a) omit “or the right to acquire on rent to mortgage terms.”; and

(b) omit subsection (2).

34. In section 180(27) (statutory declarations) omit “or the Secretary of State” in each place it occurs.

35. In section 181(1)(28) (jurisdiction of county court)—

(a) in paragraph (b) omit “or under a conveyance or grant executed in pursuance of the right to acquire on rent to mortgage terms.”; and

(b) for “sections 128 and 158” substitute “section 128”.

36. Omit section 182(29) (power to repeal or amend local Acts).

37. In section 184(30) (land let with or used for the purposes of dwelling-house) subsections (2)

(a) and (3) omit “or the right to acquire on rent to mortgage terms”.

38. In section 188(31) (index of defined expressions: Part V) omit from the first column of the Table the following expressions together with the corresponding entries in the second column—

“disposal and instrument effecting disposal in Schedule 9A”

“final payment”

“former landlord and former secure tenant (in relation to qualifying disposal)”

“former landlord and former secure tenant (in relation to qualifying disposal)”

“initial payment and interim payment”

“landlord’s share”

“minimum initial payment and maximum initial payment”

“preserved right to buy”

“qualifying disposal (in relation to the preserved right to buy)”

“qualifying dwelling-house and qualifying person (in relation to the preserved right to buy)”

(24) Section 177 was amended by paragraph 106 of Schedule 17 to the Housing Act 1988; amended by paragraph 20 of Schedule 21 and partly repealed by Schedule 22 to the Leasehold Reform, Housing and Urban Development Act 1993.

(25) Section 178 was substituted by paragraph 21 of Schedule 21 to the Leasehold Reform, Housing and Urban Development Act 1993.

(26) Section 179(1)(a) was amended by paragraph 22 of Schedule 21 to the Leasehold Reform, Housing and Urban Development Act 1993.

(27) Section 180 was amended by paragraph 106 of Schedule 17 to the Housing Act 1988 and partly repealed by Schedule 22 to the Leasehold Reform, Housing and Urban Development Act 1993.

(28) Section 181(1) was amended by paragraph 23 of Schedule 21 and partly repealed by Schedule 22 to the Leasehold Reform, Housing and Urban Development Act 1993.

(29) Section 182 was partly repealed by Schedule 22 to the Leasehold Reform, Housing and Urban Development Act 1993.

(30) Section 184(2)(a) and (3) were amended by paragraph 24 of Schedule 21 to the Leasehold Reform, Housing and Urban Development Act 1993.

(31) Section 188 was amended by paragraph 31 of Schedule 5 to the Housing and Planning Act 1986; paragraph 106 of Schedule 17 to the Housing Act 1988; paragraph 25 of Schedule 21 and partly repealed by Schedule 22 to the Leasehold Reform, Housing and Urban Development Act 1993.

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“right to acquire on rent to mortgage terms”

39. In Schedule 4 (qualifying period for the right to buy and discount)

(a) for paragraph 1 substitute—

“**1.** The period to be taken into account for the purposes of section 119 (qualification for the right to acquire) is the period qualifying, or the aggregate of the periods qualifying, under the following provisions of this Schedule”; and

(b) omit paragraph 5A(**32**) (periods during which the right to buy is preserved).

40. In Schedule 5(**33**) (exceptions to the right to buy)—

(a) omit paragraph 1 (charities) and insert the following paragraph—

“Rural areas

1A. The right to acquire does not arise if the dwelling house is situated in a rural area designated by order of the Secretary of State under section 17(1)(b) (right to acquire: supplementary provisions) of the Housing Act 1996.”;

(b) omit paragraph 3 (certain housing associations);

(c) after paragraph 9 insert the following paragraph—

“Certain dwelling-houses for persons with special needs

9A.—(1) The right to acquire does not arise if the dwelling-house is one of a group of dwelling-houses which it is the practice of the landlord to let for occupation by persons who have special needs and require intensive housing assistance and such intensive housing assistance is provided, either directly or indirectly, by the landlord.

(2) In this paragraph “intensive housing assistance” means the provision by the landlord to persons with special needs of assistance on housing issues which is significantly greater than the assistance which is generally provided by registered social landlords to tenants who do not have special needs.

(3) In this paragraph “persons who have special needs” means persons who are vulnerable as a result of age, physical disability or illness, a mental disorder or impairment of any kind, drug or alcohol addiction, violence or the threat of violence by a member of a person’s family, or other special reason.”;

(d) omit paragraph 11 (certain dwelling-houses for persons of pensionable age);

(e) after paragraph 12 add the following paragraph—

“Dwelling-houses where the debt is equal to or greater than the purchase price plus the discount

13.—(1) The right to acquire does not arise if the net debt or the peak debt attributable to the dwelling-house on the date of service of the tenant’s notice under section 122 (tenant’s notice claiming to exercise the right to acquire) is equal to or greater than the purchase price plus the discount.

(32) Paragraph 5A was inserted by paragraph 40 of Schedule 5 to the Housing and Planning Act 1986.

(33) Paragraph 5 of Schedule 5 was amended by section 83(1), (6)(d) of the Housing Act 1988; paragraphs 6 and 8 were repealed by section 123, 140(2), Schedule 18 of the Housing Act 1988; paragraph 10 was amended and paragraph 11 substituted by section 106 of the Leasehold Reform, Housing and Urban Development Act 1993.

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(2) In sub-paragraph (1) the net debt is the amount of the relevant costs, as defined in sub-paragraph (4), less the amount of public subsidy as defined in sub-paragraph (5).

(3) In sub-paragraph (1) the peak debt is the amount under a loan agreement, as defined in sub-paragraph (6), that is the portion of the maximum amount which the landlord may borrow under a loan agreement which is attributable to the dwelling-house.

(4) In sub-paragraph (2) “the relevant costs” means the costs incurred by the landlord in respect of the acquisition of the dwelling-house, the construction of the dwelling-house (including the costs of development works and the acquisition of land) but does not include the costs of—

- (a) works of repair or maintenance;
- (b) works to deal with any defect affecting the dwelling-house;
- (c) works of improvement where they are paid for on or after the date of service of the tenant’s notice under section 122 unless—
 - (i) the landlord has before that date entered into a written contract for the carrying out of the works; or
 - (ii) the tenant has agreed in writing to the carrying out of the works and either the works have been carried out no later than the date of service of the landlord’s notice under section 125 (landlord’s notice of purchase price and other matters) or the works will be carried out under the proposed terms of the conveyance.

(5) In sub-paragraph (2) “public subsidy” means grant or other financial assistance of any kind used by the landlord in whole or in part in connection with the acquisition, construction (including the costs of development and the acquisition of land), repair, maintenance or improvement of the dwelling-house where such grant or assistance is received from—

the Housing Corporation in England and Housing for Wales in Wales under section 18 of the Housing Act 1996 (social housing grants),

the Secretary of State under section 126 of the Housing Grants, Construction and Regeneration Act 1996⁽³⁴⁾ under the programme designated “City Challenge” in England and the programmes designated the “Strategic Development Scheme” and “Welsh Capital Challenge” in Wales,

a local housing authority where grant is paid pursuant to an application by the landlord under Part VIII (grants towards the costs of improvements and repairs) of the Local Government and Housing Act 1989⁽³⁵⁾ or Chapter I of Part I (grants &c. for renewal of private sector housing) of the Housing Grants, Construction and Regeneration Act 1996,

National Lottery, and

a local authority in a case where the local authority has conveyed the freehold or leasehold of land to the landlord at a price which is below the market value of the land at the time of the conveyance.

(6) In sub-paragraph (3) “a loan agreement” means an agreement—

- (a) for a loan between a lender and the landlord which is wholly or partly secured by a charge (however created or arising) on the landlord’s interest in the dwelling-house,

⁽³⁴⁾ 1996 c. 53.

⁽³⁵⁾ 1989 c. 42.

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- (b) which specifies the portion of the maximum amount which the landlord may borrow in any period which is attributable to the dwelling-house, and
 - (c) which is for the purpose of the provision of monies for use in connection with the acquisition of land held for housing purposes and housing stock pursuant to a disposal under section 32 (power to dispose of land held for the purposes of this Part) of the Housing Act 1985; and where a loan is for such a purpose it may include the construction of dwelling-houses (including the costs of development works and the acquisition of land) and works of repair, maintenance or improvement to dwelling-houses pursuant to such acquisition.”.
- 41.** In Schedule 6 (conveyance of freehold and grant of lease in pursuance of right to buy)—
- (a) in paragraph 11 (general), omit “(but subject to sub-paragraph (3))”;
 - (b) in paragraph 12 (the appropriate term), omit sub-paragraph (3);
 - (c) omit paragraph 16E (service charges in rent to mortgage cases);
 - (d) in paragraph 17 (avoidance of certain provisions), omit sub-paragraph (2).
 - (e) in paragraph 20 (grant of a lease), at the end add—
 - “provided that—
 - (a) the landlord has complied with the requirements imposed on the landlord by paragraph 22, or
 - (b) the holder of the charge has agreed in writing with the landlord that paragraph 22 shall not apply,but the release does not affect the personal liability of the landlord or any other person in respect of any obligation the charge was created to secure.”.
 - (f) in paragraph 21(2) (conveyance of freehold), after “from the charge” insert—
 - “Provided that—
 - (a) the landlord has complied with the requirements imposed on the landlord by paragraph 22, or
 - (b) the holder of the charge has agreed in writing with the landlord that paragraph 22 shall not apply;”.
 - (g) after paragraph 21 add the following—

“Notice to lenders

22.—(1) This paragraph and paragraph 23 shall apply to a charge (however created or arising) on the interest of the landlord in the dwelling-house, unless and until the landlord and the holder of the charge at any time agree otherwise in writing.

(2) Within 7 days of the landlord receiving the tenant’s written notice of intention to pursue his claim to the right to acquire under section 125D the landlord shall serve on the holder of any charge secured against the dwelling-house a written notice stating the purchase price of the dwelling-house and the amount of discount and whether the landlord intends to redeem the charge in respect of the dwelling-house on the grant of the lease or the conveyance of the freehold to the tenant pursuant to the right to acquire.

(3) If the landlord’s notice states that he intends to redeem the charge then, on the grant of the lease or the conveyance of the freehold, the sum required to redeem the charge shall be paid by the landlord to the charge holder and the charge holder shall supply to the landlord the necessary documentation to release the charge in respect of the dwelling-house.

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(4) If the landlord does not intend to redeem the charge on the grant of a lease or the conveyance of the freehold the landlord's notice shall, in addition, offer to the holder of the sole charge or the charge having priority the option of either—

- (a) subject to sub-paragraph (5), taking as alternative security a charge on the interest in a property of the landlord which has a value (excluding any amount secured by a charge with priority on the landlord's interest in the property) equal to or greater than the purchase price of the dwelling-house plus the discount, or
- (b) an amount equal to the purchase price of the dwelling-house plus the discount.

(5) The landlord shall not be required to offer a property as alternative security unless the landlord owns a freehold or leasehold interest in a property with a value (excluding any amount secured by a charge on the interest which is being offered in the property) equal to or greater than the purchase price plus discount.

(6) Where sub-paragraph (4) applies within 14 days of receipt of the landlord's notice the charge holder shall serve on the landlord a written notice stating the option exercised by the charge holder.

(7) Where the charge holder exercises the option specified in sub-paragraph (4)(a) the landlord shall within 14 days of receipt of the charge holder's notice offer the charge holder a specified property in accordance with that sub-paragraph.

(8) Where the charge holder accepts the property offered as alternative security the landlord shall take all reasonable steps to enable the charge holder to secure a charge against the landlord's interest in the property within whichever is the later of—

- (a) 21 days of the date on which the landlord receives notification of the charge holder's acceptance of the property as alternative security, or
- (b) the grant of the lease or the conveyance of the freehold of the dwelling-house pursuant to the right to acquire;

(9) If the landlord fails to take all reasonable steps to enable the charge holder to secure a charge against the landlord's interest in accordance with sub-paragraph (8) the charge holder may require the landlord to pay within 7 days an amount equal to the purchase price of the dwelling house plus the discount.

(10) Where the charge holder rejects the property offered as alternative security the charge holder may require the landlord to pay an amount equal to the purchase price of the dwelling-house plus the discount within whichever is the later of—

- (a) 21 days of the date on which the landlord receives notification of the charge holder's rejection of the property, or
- (b) the grant of the lease or the conveyance of the freehold of the dwelling-house pursuant to the right to acquire.

(11) Where the charge holder exercises the option in sub-paragraph (4)(b) the landlord shall pay the sum specified in that sub-paragraph on the grant of the lease or the conveyance of the freehold of the dwelling-house pursuant to the right to acquire.

Discharge of the charge on the landlord's interest in the dwelling-house

23.—(1) Where the landlord and the charge holder have agreed in writing that the provisions of paragraph 22 shall not apply on the grant of the lease or the conveyance of the freehold pursuant to the right to acquire the landlord shall supply to the tenant a certificate confirming the agreement together with a copy of the agreement which is certified as a true copy.

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(2) Where the provisions of paragraph 22 apply, provided that the landlord has complied with the requirements imposed on the landlord by that paragraph any holder of a charge on the landlord's interest in the dwelling-house shall, on the grant of the lease or the conveyance of the freehold of the dwelling-house pursuant to the right to acquire, provide to the landlord such documentation as is necessary to discharge their charge in respect of the dwelling-house.

(3) Where a charge holder does not provide the documentation in accordance with sub-paragraph (2), or where the charge holder has failed to serve a notice in accordance with paragraph 22(6), the landlord shall, on the grant of the lease or the conveyance of the freehold pursuant to the right to acquire, supply to the tenant a certificate stating that the landlord has complied with the requirements imposed on the landlord by paragraph 22.

(4) A certificate under sub-paragraphs (1) or (3) shall be effective to release the dwelling-house from the charge on the interest of the landlord to which the certificate applies but shall not affect the personal liability of the landlord or any other person in respect of any obligation which such a charge was created to secure.

(5) A certificate under sub-paragraphs (1) or (3) shall—

- (a) be in a form approved by the Chief Land Registrar, and
- (b) signed by such officer of the landlord or such other person as may be approved by the Chief Land Registrar.

(6) The Chief Land Registrar shall, for the purpose of registration of title, accept such certificate as sufficient evidence of the facts stated in it, but if as a result he has to meet a claim against him under the Land Registration Acts 1925 to 1971 the landlord is liable to indemnify him.”.

42. Omit Schedule 6A(36) (redemption of landlord's share) and Schedule 9A(37) (land registration and related matters where right to buy is preserved).

(36) Schedule 6A was inserted by section 117(2) of and Schedule 16 to the Leasehold Reform, Housing and Urban Development Act 1993.

(37) Schedule 9A was inserted by section 8(2) and Schedule 2 to the Housing and Planning Act 1986.