



Land Registration Act 2002

2002 CHAPTER 9

PART 3

DISPOSITIONS OF REGISTERED LAND

Effect of dispositions on priority

28 Basic rule

- (1) Except as provided by sections 29 and 30, the priority of an interest affecting a registered estate or charge is not affected by a disposition of the estate or charge.
- (2) It makes no difference for the purposes of this section whether the interest or disposition is registered.

29 Effect of registered dispositions: estates

- (1) If a registrable disposition of a registered estate is made for valuable consideration, completion of the disposition by registration has the effect of postponing to the interest under the disposition any interest affecting the estate immediately before the disposition whose priority is not protected at the time of registration.
- (2) For the purposes of subsection (1), the priority of an interest is protected—
 - (a) in any case, if the interest—
 - (i) is a registered charge or the subject of a notice in the register,
 - (ii) falls within any of the paragraphs of Schedule 3, or
 - (iii) appears from the register to be excepted from the effect of registration,and
 - (b) in the case of a disposition of a leasehold estate, if the burden of the interest is incident to the estate.
- (3) Subsection (2)(a)(ii) does not apply to an interest which has been the subject of a notice in the register at any time since the coming into force of this section.

Status: This is the original version (as it was originally enacted).

- (4) Where the grant of a leasehold estate in land out of a registered estate does not involve a registrable disposition, this section has effect as if—
- (a) the grant involved such a disposition, and
 - (b) the disposition were registered at the time of the grant.

30 Effect of registered dispositions: charges

- (1) If a registrable disposition of a registered charge is made for valuable consideration, completion of the disposition by registration has the effect of postponing to the interest under the disposition any interest affecting the charge immediately before the disposition whose priority is not protected at the time of registration.
- (2) For the purposes of subsection (1), the priority of an interest is protected—
- (a) in any case, if the interest—
 - (i) is a registered charge or the subject of a notice in the register,
 - (ii) falls within any of the paragraphs of Schedule 3, or
 - (iii) appears from the register to be excepted from the effect of registration, and
 - (b) in the case of a disposition of a charge which relates to a leasehold estate, if the burden of the interest is incident to the estate.
- (3) Subsection (2)(a)(ii) does not apply to an interest which has been the subject of a notice in the register at any time since the coming into force of this section.

31 Inland Revenue charges

The effect of a disposition of a registered estate or charge on a charge under section 237 of the Inheritance Tax Act 1984 (c. 51) (charge for unpaid tax) is to be determined, not in accordance with sections 28 to 30 above, but in accordance with sections 237(6) and 238 of that Act (under which a purchaser in good faith for money or money's worth takes free from the charge in the absence of registration).