



Housing Act 1985

1985 CHAPTER 68

PART V

THE RIGHT TO BUY

Purchase price

127 Value of dwelling-house.

- (1) The value of a dwelling-house at the relevant time shall be taken to be the price which at that time it would realise if sold on the open market by a willing vendor—
 - (a) on the assumptions stated for a conveyance in subsection (2) and for a grant in subsection (3),^{F1} . . .
 - (b) disregarding any improvements made by any of the persons specified in subsection (4) and any failure by any of those persons to keep the dwelling-house in good internal repair [^{F2}, and
 - (c) on the assumption that any service charges or improvement contributions payable will not be less than the amounts to be expected in accordance with the estimates contained in the landlord's notice under section 125.]
- (2) For a conveyance the assumptions are—
 - (a) that the vendor was selling for an estate in fee simple with vacant possession,
 - (b) that neither the tenant nor a member of his family residing with him wanted to buy, and
 - (c) that the dwelling-house was to be conveyed with the same rights and subject to the same burdens as it would be in pursuance of this Part.
- (3) For the grant of a lease the assumptions are—
 - (a) that the vendor was granting a lease with vacant possession for the appropriate term defined in paragraph 12 of Schedule 6 (but subject to sub-paragraph (3) of that paragraph).
 - (b) that neither the tenant nor a member of his family residing with him wanted to take the lease,

Changes to legislation: Housing Act 1985, Section 127 is up to date with all changes known to be in force on or before 18 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (c) that the ground rent would not exceed £10 per annum [^{F3}or, if the lease would be a regulated lease within the meaning of the Leasehold Reform (Ground Rent) Act 2022, the rent permitted by that Act], and
- (d) that the grant was to be made with the same rights and subject to the same burdens as it would be in pursuance of this Part.
- (4) 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 [^{F4}or an introductory tenant]before him, and
- [^{F5}(c) any member of his family who, immediately before the secure tenancy was granted (or, where an introductory tenancy has become the secure tenancy, immediately before the introductory tenancy was granted), was a secure tenant or, an introductory tenant of the same dwelling-house under another tenancy,] but do not include, in a case where the secure tenant’s 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 [^{F6}or an introductory tenant] before the assignment.
- [^{F7}(5) In this section “introductory tenant” and “introductory tenancy” have the same meaning as in Chapter I of Part V of the Housing Act 1996.]

Textual Amendments

- F1** Word repealed by [Housing and Planning Act 1986 \(c. 63, SIF 61\)](#), s. 24(2)(3), Sch. 5 Pt. II para. 28, **Sch. 12 Pt. I**
- F2** Word and s. 127(1)(c) inserted by [Housing and Planning Act 1986 \(c. 63, SIF 61\)](#), s. 4(3)(6)
- F3** Words in s. 127(3)(c) inserted (30.6.2022 for specified purposes, 1.4.2023 in so far as not already in force) by [Leasehold Reform \(Ground Rent\) Act 2022 \(c. 1\)](#), ss. 19(2), 25(2) (with s. 23); S.I. 2022/694, regs. 2, 3, 4
- F4** Words in s. 127(4)(b) inserted (12.2.1997) by S.I. 1997/74, art. 2, **Sch. para. 3(j)(i)**
- F5** S. 127(4)(c) substituted (12.2.1997) by S.I. 1997/74, art. 2, **Sch. para. 3(j)(ii)**
- F6** Words in s. 127(4) inserted (12.2.1997) by S.I. 1997/74, art. 2, **Sch. para. 3(j)(iii)**
- F7** S. 127(5) inserted (12.2.1997) by S.I. 1997/74, art. 2, **Sch. para. 3(k)**

Changes to legislation:

Housing Act 1985, Section 127 is up to date with all changes known to be in force on or before 18 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

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Changes and effects yet to be applied to :

- specified provision(s) savings for amendments by 2018 anaw 1, s. 6, Sch. 6 by [S.I. 2019/110 reg. 5](#)

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act savings and transitional provisions for amendments by [S.I. 2022/1166](#) by [S.I. 2022/1172](#) Regulations

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 81A-81D and cross-heading inserted by [2016 c. 22 Sch. 7 para. 4](#) (This provision is amended by [2021 c. 7, ss. 79\(3\), 90\(6\)](#); [S.I. 2021/1038, reg. 3\(c\)](#))
- s. 81B(1)(b) words inserted by [2018 c. 11 s. 1\(3\)](#)
- s. 81B(2A)-(2C) inserted by [2018 c. 11 s. 1\(2\)](#)
- s. 81B(2C) words substituted by [2021 c. 17 s. 79\(3\)\(a\)\(i\)](#) (This amendment not applied to [legislation.gov.uk](#). The insertion of s. 81B by [2016 c. 22, Sch. 7 para. 4](#) is still prospective)
- s. 81B(2C) words substituted by [2021 c. 17 s. 79\(3\)\(a\)\(ii\)](#) (This amendment not applied to [legislation.gov.uk](#). The insertion of s. 81B by [2016 c. 22, Sch. 7 para. 4](#) is still prospective)
- s. 81B(2D) inserted by [2021 c. 17 s. 79\(3\)\(b\)](#) (This amendment not applied to [legislation.gov.uk](#). The insertion of s. 81B by [2016 c. 22, Sch. 7 para. 4](#) is still prospective)
- s. 82(A1)(A2) inserted by [2016 c. 22 s. 119\(2\)\(a\)](#)
- s. 82A(4A)(4B) inserted by [2016 c. 22 Sch. 7 para. 7\(2\)](#)
- s. 86(1A)(1B) inserted by [2016 c. 22 Sch. 7 para. 10\(3\)](#)
- s. 86(1C) inserted by [2016 c. 22 Sch. 8 para. 2](#)
- s. 86A-86F and cross-headings inserted by [2016 c. 22 Sch. 7 para. 11](#)
- s. 86G s. 86A renumbered as s. 86G by [2016 c. 22 Sch. 8 para. 3\(1\)\(a\)](#)
- s. 86G(8) inserted by [2016 c. 22 Sch. 8 para. 3\(2\)](#)
- s. 88(1)(ba) inserted by [2016 c. 22 Sch. 8 para. 4](#)
- s. 89(2A)-(2D) inserted by [2016 c. 22 Sch. 8 para. 5\(3\)](#)
- s. 97(1A) inserted by [2016 c. 22 Sch. 7 para. 12\(3\)](#)
- s. 99A(1A) inserted by [2016 c. 22 Sch. 7 para. 13\(3\)](#)
- s. 115B115C inserted by [2016 c. 22 Sch. 7 para. 15](#)
- s. 115B115C inserted by [2016 c. 22 Sch. 7 para. 15](#)
- s. 305(1A) inserted by [2023 asc 3 Sch. 13 para. 68\(b\)](#)
- s. 306(1A) inserted by [2023 asc 3 Sch. 13 para. 69\(b\)](#)
- s. 353A inserted by [1996 c. 52 s. 73\(1\)](#) (This amendment not applied to [legislation.gov.uk](#). S. 73 repealed (6.4.2006 for E., 16.6.2006 for W.) by [2004 c. 34, Sch. 16](#); [S.I. 2006/1060, art. 2\(1\)\(e\), Sch.](#); [S.I. 2006/1535, art. 2\(c\), Sch.](#))
- s. 582(6)(aa)-(ac) substituted for s. 582(6)(a) by [2023 c. 55 Sch. 18 para. 4\(2\)\(b\)](#)
- Sch. 1 para. 1ZA and cross-heading inserted by [2016 c. 22 Sch. 7 para. 17\(2\)](#)
- Sch. 5A para. 3(3)(aa) inserted by [2023 c. 55 Sch. 18 para. 4\(3\)\(b\)\(ii\)](#)
- Sch. 5A para. 3(6A) inserted by [2023 c. 55 Sch. 18 para. 4\(3\)\(d\)](#)