

# LAND REGISTRATION ACT 2002

---

## EXPLANATORY NOTES

### COMMENTARY ON THE SECTIONS

#### **Part 3 : Dispositions of Registered Land**

##### **Effect of dispositions on priority**

##### *Section 29: Effect of registered dispositions: estates*

##### *Section 30: Effect of registered dispositions: charges*

70. *Section 29* preserves the principal exception to the basic rule to be found in the current law. If a registrable disposition of either a registered estate or 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 estate or charge immediately before the disposition whose priority is not protected at the time of registration. The disponee in the later disposition will take the estate free of the unprotected interest (which may not be destroyed, and may remain valid against interests other than that of the disponee under the registered disposition).
71. The principle applies only to dispositions made for valuable consideration. As under the current law, that will not include a nominal consideration in money, where the general rule of priority applies.
72. Under the current law, valuable consideration does include a transfer of land in consideration of marriage. The Law Commission and the Land Registry recommend that this should not continue on the grounds that it is an anachronism. Such a transfer is normally a wedding gift, and there is no reason for treating it differently from gifts in general. The section therefore amends the current law by leaving out this exception.