



Law of Property Act 1925

1925 CHAPTER 20 15 and 16 Geo 5

PART I

GENERAL PRINCIPLES AS TO LEGAL ESTATES, EQUITABLE INTERESTS AND POWERS

2 Conveyances overreaching certain equitable interests and powers.

- (1) A conveyance to a purchaser of a legal estate in land shall overreach any equitable interest or power affecting that estate, whether or not he has notice thereof, if—
- (i) the conveyance is made under the powers conferred by the ^{M1}Settled Land Act, 1925, or any additional powers conferred by a settlement, and the equitable interest or power is capable of being overreached thereby, and the statutory requirements respecting the payment of capital money arising under the settlement are complied with;
 - (ii) the conveyance is made by [^{F1}trustees of land] and the equitable interest or power is at the date of the conveyance capable of being overreached by such trustees under the provisions of subsection (2) of this section or independently of that subsection, and [^{F1}the requirements of section 27 of this Act respecting the payment of capital money arising on such a conveyance] are complied with;
 - (iii) the conveyance is made by a mortgagee or personal representative in the exercise of his paramount powers, and the equitable interest or power is capable of being overreached by such conveyance, and any capital money arising from the transaction is paid to the mortgagee or personal representative;
 - (iv) the conveyance is made under an order of the court and the equitable interest or power is bound by such order, and any capital money arising from the transaction is paid into, or in accordance with the order of, the court.

[^{F2}(1A) An equitable interest in land subject to a trust of land which remains in, or is to revert to, the settlor shall (subject to any contrary intention) be overreached by the conveyance if it would be so overreached were it an interest under the trust.]

Status: Point in time view as at 01/10/2011.

Changes to legislation: Law of Property Act 1925, Section 2 is up to date with all changes known to be in force on or before 10 May 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)

- (2) [^{F3}Where the legal estate affected is subject to [^{F4}a trust of land], then if at the date of a conveyance made after the commencement of this Act [^{F4}by the trustees], the trustees (whether original or substituted) are either]—
- (a) two or more individuals approved or appointed by the court or the successors in office of the individuals so approved or appointed; or
 - (b) a trust corporation,
- [^{F3}any equitable interest or power having priority [^{F4}to the trust]] shall, notwithstanding any stipulation to the contrary, be overreached by the conveyance, and shall, according to its priority, take effect as if created or arising by means of a primary trust affecting the proceeds of sale and the income of the land until sale.
- (3) The following equitable interests and powers are excepted from the operation of subsection (2) of this section, namely—
- (i) Any equitable interest protected by a deposit of documents relating to the legal estate affected;
 - (ii) The benefit of any covenant or agreement restrictive of the user of land;
 - (iii) Any easement, liberty, or privilege over or affecting land and being merely an equitable interest (in this Act referred to as an “equitable easement”);
 - (iv) The benefit of any contract (in this Act referred to as an “estate contract”) to convey or create a legal estate, including a contract conferring either expressly or by statutory implication a valid option to purchase, a right of pre-emption, or any other like right;
 - (v) Any equitable interest protected by registration under the ^{M2}Land Charges Act, 1925, other than—
 - (a) an annuity within the meaning of Part II. of that Act;
 - (b) a limited owner’s charge or a general equitable charge within the meaning of that Act.
- (4) Subject to the protection afforded by this section to the purchaser of a legal estate, nothing contained in this section shall deprive a person entitled to an equitable charge of any of his rights or remedies for enforcing the same.
- (5) So far as regards the following interests, created before the commencement of this Act (which accordingly are not within the provisions of the ^{M3}Land Charges Act, 1925), namely—
- (a) the benefit of any covenant or agreement restrictive of the user of the land;
 - (b) any equitable easement;
 - (c) the interest under a puisne mortgage within the meaning of the Land Charges Act, 1925, unless and until acquired under a transfer made after the commencement of this Act;
 - (d) the benefit of an estate contract, unless and until the same is acquired under a conveyance made after the commencement of this Act;
- a purchaser of a legal estate shall only take subject thereto if he has notice thereof, and the same are not overreached under the provisions contained or in the manner referred to in this section.

Textual Amendments

- F1** Words in s. 2(1)(ii) substituted (1.1.1997) by 1996 c. 47, s. 25(1), **Sch. 3 para. 4(2)(a)(i)(ii)** (with ss. 24(2), 25(4)); S.I. 1996/2974, **art.2**

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- F2** S. 2(1A) inserted (1.1.1997) by 1996 c. 47, s. 25(1), **Sch. 3 para. 4(2)(b)** (with ss. 24(2), 25(4)); S.I. 1996/2974, **art.2**
- F3** Words substituted by Law of Property (Amendment) Act 1926 (c. 11), **Sch.**
- F4** Words in s. 2(2) substituted (1.1.1997) by 1996 c. 47, s. 25(1), **Sch. 3 para. 4(2)(c)(i)(ii)(iii)** (with ss. 24(2), 25(4)); S.I. 1996/2974, **art.2**

Modifications etc. (not altering text)

- C1** S. 2(1) extended by Leasehold Reform Act 1967 (c. 88), **s. 8(4)(a)**
- C2** S. 2(1) extended by Housing Defects Act 1984 (c. 50, SIF 61), s. 6(8), **Sch. 2 para. 6**
- C3** S. 2(1) extended (with modifications) by Housing Act 1985 (c. 68, SIF 61), s. 547, **Sch. 20 Pt. III para. 20**
- C4** S. 2(1) applied (1.11.1993) with modifications by 1993 c. 28, **s. 34(3)** (with ss. 94(2), 95); S.I. 1993/2134, **arts. 2, 5**

Marginal Citations

- M1** 1925 c. 18.
- M2** 1925 c. 22.
- M3** 1925 c. 22.

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