
STATUTORY INSTRUMENTS

1986 No. 797

The Defective Dwellings (Mortgagees) Regulations 1986

PART IV

GENERAL

Modification of power of sale

21. Where Part II or III of these regulations applies the power of sale in question and any enactment relating to the power of sale shall have effect subject to such modifications (if any) as are necessary to enable full effect to be given to these regulations and to the Act as modified by these regulations.

Payment in respect of vesting of a defective dwelling

22.—(1) Where a defective dwelling is vested in a mortgagee in pursuance of—

- (a) section 452 (Vesting of house in authority entitled to exercise power of sale), or
- (b) Part III of these regulations,

Schedule 17 (both as enacted and as applied by these regulations) shall have effect subject to the following provisions in this regulation.

(2) The value referred to in paragraph 3(2) of the Schedule shall be 95 per cent. of the price there mentioned, but the sale there referred to shall be on the additional assumption that none of the defective dwellings to which the designation in question relates is affected by the qualifying defect.

Exchequer contribution on vesting of defective dwelling

23. Section 569 shall be modified by the addition of the following subsection—

“(7) Where a defective dwelling is vested in an authority under either—

- (a) section 452 (Vesting of house in authority entitled to exercise power of sale), or
- (b) Part III of the Defective Dwellings (Mortgagees) Regulations 1986 (Vesting by a mortgagee who is the purchasing authority),

this section shall apply as if references to the local housing authority were references to the authority in which the dwelling is vested and as if subsection (4)(b) were replaced by the following—

“(b) in the case of a vesting, the amount of the fund appropriated under paragraph 3 of Schedule 17 less the amount which would have been so appropriated had regulation 22 of the Defective Dwellings (Mortgagees) Regulations 1986 not been made.””