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STATUTORY INSTRUMENTS

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**1986 No. 797**

**The Defective Dwellings (Mortgagees) Regulations 1986**

**PART III**

**VESTING BY A MORTGAGEE WHO IS THE PURCHASING AUTHORITY**

**Application**

**19.**—(1) This Part of these regulations applies where—

- (a) a mortgagor of a defective dwelling is eligible for assistance under Part XVI of the Act in respect of the dwelling, and
- (b) a power of sale (whether conferred by section 101 of the Law of Property Act 1925 or otherwise) is exercisable by the mortgagee, and
- (c) the mortgagee becomes mortgagee in possession of the defective dwelling, and
- (d) the mortgagee is the purchasing authority,

but does not apply where section 452 (vesting of house in authority entitled to exercise power of sale) applies.

(2) Where a mortgagee is a mortgagee in possession on the date on which these regulations come into operation he shall for the purpose of the regulations be treated as if he became the mortgagee in possession on that date.

**Modification of Schedule 17**

**20.**—(1) Where this Part of these regulations applies the mortgagee shall have the right by deed to vest the dwelling in themselves and the provisions of Schedule 17 shall apply with respect to the vesting subject as provided below.

(2) In its application to a vesting in pursuance of the right given by these regulations Schedule 17 shall have effect as if—

- (a) the words “if the county court gives it leave to do so” in sub-paragraph (1) of paragraph 1, and sub-paragraphs (2) and (3) of that paragraph, were omitted;
- (b) references to “the house” were references to “the dwelling”.

(3) The vesting of a dwelling in pursuance of the right given by these regulations shall be treated as a relevant disposal for the purposes of—

- (a) the provisions of Parts II and V of the Act relating to the covenant required by section 35 or 155 (repayment of discount on early disposal), and
- (b) any provision of the conveyance or grant of the dwelling to the like effect as the covenant required by those sections.