



# Rent Act 1977

## 1977 CHAPTER 42

### PART X

#### MORTGAGES

#### 129 Mortgages to which Part X applies.

- (1) This Part of this Act is concerned with mortgages which—
  - (a) were created before the relevant date, and
  - [<sup>F1</sup>(b) are regulated mortgages as defined in section 131 of this Act.]
- (2) For the purposes of this Part of this Act, “relevant date”—
  - (a) in a case where, on 28th November 1967, land consisting of or including a dwelling-house was subject to a long tenancy which became a regulated tenancy on that date by virtue of section 39 of the <sup>M1</sup>Leasehold Reform Act 1967, means, in relation to that land, 28th November 1967;
  - (b) in a case where, on 22nd March 1973, land consisting of or including a dwelling-house was subject to a tenancy which became a regulated tenancy by virtue of section 14 of the <sup>M2</sup>Counter-Inflation Act 1973, means, in relation to that land, 22nd March 1973;
  - (c) in the case of land consisting of or including a dwelling-house subject to a regulated furnished tenancy, means, in relation to that land, 14th August 1974; and
  - (d) in any other case, means 8th December 1965.

#### Textual Amendments

**F1** S. 129(1)(b) substituted by [Housing Act 1980 \(c. 51, SIF 61\)](#), [Sch. 25 Pt. I para. 48](#)

#### Marginal Citations

**M1** 1967 c. 88.

**M2** 1973 c. 9.

*Status: Point in time view as at 06/04/2006.*

*Changes to legislation: Rent Act 1977, Part X is up to date with all changes known to be in force on or before 25 July 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)*

**130** ..... F2

**Textual Amendments**

**F2** Ss. 15(6), 17, 18(3)(4), 24(1)(2), 27–43, 50, 53, 67(6), 70(5), 76, 79(4), 86(5), 91, 92(6)(7), 108–113, 115, 117, 130, 133–135, 141(2), 155(1), Sch. 1 para. 8, Schs. 3, 4, 6, Sch. 7 para. 4, Sch. 10 para. 10, Sch. 11 paras. 13, 14 and 15–25, Sch. 13, Sch. 14 para. 6, Sch. 17 paras. 10, 11, Sch. 19, Sch. 20 paras. 1(6)(7), 4, Schs. 21, 22, Sch. 23 paras. 1, 4(g)–(i), 37, 38 repealed by [Housing Act 1980 \(c. 51, SIF 61\)](#), [Sch. 26](#)

**131 Regulated mortgages.**

- (1) Subject to subsection (2) below, a mortgage which falls within section 129(1)(a) of this Act . . . <sup>F3</sup> is a regulated mortgage if—
- (a) it is a legal mortgage of land consisting of or including a dwelling-house which is let on or subject to a regulated tenancy, and
  - (b) the regulated tenancy is binding on the mortgagee.
- (2) Notwithstanding that a mortgage falls within subsection (1) above, it is not a regulated mortgage if—
- (a) the rateable value on the appropriate day of the dwelling-house which falls within subsection (1)(a) above or, if there is more than one such dwelling-house comprised in the mortgage, the aggregate of the rateable values of those dwelling-houses on the appropriate day is less than one-tenth of the rateable value on the appropriate day of the whole of the land comprised in the mortgage, or
  - (b) the mortgagor is in breach of covenant, but for this purpose a breach of the covenant for the repayment of the principal money otherwise than by instalments shall be disregarded.
- (3) Subsection (2)(a) above shall have effect, in the <sup>M3</sup> case of land consisting of or including a dwelling-house which on 22nd March 1973 was subject to a tenancy which became a regulated tenancy by virtue of section 14 of the Counter-Inflation Act 1973, as if for the reference to the appropriate day there were substituted a reference to 7th March 1973.
- (4) In this section “legal mortgage” includes a charge by way of legal mortgage.
- (5) Any reference in this Part of this Act to a regulated mortgage shall be construed in accordance with this section.

**Textual Amendments**

**F3** Words repealed by [Housing Act 1980 \(c. 51, SIF 61\)](#), [Sch. 26](#)

**Marginal Citations**

**M3** 1973 c. 9.

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**132 Powers of court to mitigate hardship to mortgagors under regulated mortgages.**

(1) The powers of the court under this section [<sup>F4</sup>become exercisable, in relation to a regulated mortgage,] only on an application made by the mortgagor within 21 days, or such longer time as the courts may allow, after the occurrence of one of the following events:—

- (a) the rate of interest payable in respect of the mortgage is increased; or
- (b) a rent for a dwelling-house comprised in the mortgage is registered under Part IV of this Act and the rent so registered is lower than the rent which was payable immediately before the registration; or
- (c) the mortgagee, not being a mortgagee who was in possession on the relevant date, demands payment of the principal money secured by the mortgage or takes any steps for exercising any right of foreclosure or sale or for otherwise enforcing his security.

Paragraph (b) above shall not apply to a case falling within section 129(2)(b) of this Act.

(2) If the court is satisfied on any such application that, by reason of the event in question and of the operation of this Act, the mortgagor would suffer severe financial hardship unless relief were given under this section, the court may by order make such provision—

- (a) limiting the rate of interest,
- (b) extending the time for the repayment of the principal money, or
- (c) otherwise varying the terms of the mortgage or imposing any limitation or condition on the exercise of any right or remedy in respect thereof,

as it thinks appropriate.

(3) Where the court makes an order under subsection (2) above in relation to a mortgage which comprises other land as well as a dwelling-house or dwelling-houses subject to a regulated tenancy the order may, if the mortgagee so requests, make provision for apportioning the money secured by the mortgage between that other land and the dwelling-house or dwelling-houses.

(4) Where such an apportionment is made, the other provisions of the order made by the court shall not apply in relation to the other land referred to in that subsection and the money secured by the other land, and the mortgage shall have effect for all purposes as two separate mortgages of the apportioned parts.

(5) Where the court has made an order under this section it may vary or revoke it by a subsequent order.

(6) The court for the purposes of this section is a county court, except that where an application under subsection (1) above is made in pursuance of any step taken by the mortgagee in the High Court it is the High Court.

**Textual Amendments**

**F4** Words substituted by [Housing Act 1980 \(c. 51, SIF 61\)](#), [Sch. 25 Pt. I para. 49](#)

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#### Textual Amendments

- F5** Ss. 15(6), 17, 18(3)(4), 24(1)(2), 27–43, 50, 53, 67(6), 70(5), 76, 79(4), 86(5), 91, 92(6)(7), 108–113, 115, 117, 130, 133–135, 141(2), 155(1), Sch. 1 para. 8, Schs. 3, 4, 6, Sch. 7 para. 4, Sch. 10 para. 10, Sch. 11 paras. 13, 14 and 15–25, Sch. 13, Sch. 14 para. 6, Sch. 17 paras. 10, 11, Sch. 19, Sch. 20 paras. 1(6)(7), 4, Schs. 21, 22, Sch. 23 paras. 1, 4(g)–(i), 37, 38 repealed by [Housing Act 1980 \(c. 51, SIF 61\)](#), [Sch. 26](#)

### 136 Interpretation of Part X.

In this Part of this Act, except where the context otherwise requires—

- (a) “mortgagee” and “mortgagor” include any person from time to time deriving title under the original mortgagee or mortgagor; and
- (b) “legal mortgage” in relation to regulated mortgages, [<sup>F6</sup>includes] any [<sup>F7</sup>registered charge (within the meaning of the Land Registration Act 2002)].

#### Textual Amendments

- F6** Words substituted by [Housing Act 1980 \(c. 51, SIF 61\)](#), [Sch. 25 Pt. I para. 50](#)
- F7** Words in s. 136(b) substituted (13.10.2003) by [Land Registration Act 2002 \(c. 9\)](#), s. 136(2), [Sch. 11 para. 14](#) (with s. 129); S.I. 2003/1725, art. 2(1)

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**Changes to legislation:**

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