

SCHEDULE

PART I

Enfranchisement

Payment of deposit

1. At any time after receipt of the tenant's notice the landlord may, by notice in writing given to the tenant, require a sum equal to three times the annual rent for the property payable under his tenancy (or, in the case of a notice given under section 34 of the Act, the former long tenancy) or £25, whichever is the greater, to be deposited with the landlord, or a person nominated by him in the notice as his agent or as stakeholder, on account of the price payable for the property and any other sums payable by a tenant in accordance with the provisions of the Act; and the tenant shall, within 14 days of the giving of the notice, pay the sum demanded to the landlord or person nominated by him.

Evidence of tenant's right to enfranchise

2. At any time after receipt of the tenant's notice the landlord may, by notice in writing given to the tenant, require him to deduce his title to the tenancy and to furnish a statutory declaration as to the particulars of occupation of the property on which the tenant relies in the tenant's notice; and the tenant shall within 21 days of the giving of the landlord's notice comply with the requirement.

Delivery of proof of landlord's title

3.—(1) Where—

- (i) a tenant has received no notice in reply to his tenant's notice within 2 months of giving it, or
- (ii) a tenant has

- (a) received a notice in reply stating that his right to have the freehold is admitted, or
 - (b) has received a notice in reply that his right is disputed but has established that right by agreement or an order of the court,
- and, in either case, the property to be conveyed has been established by agreement or an order of the court,

the tenant may by notice in writing given to the landlord require him to deduce his title by delivering:

- (a) in the case of land registered in the register of title kept at Her Majesty's Land Registry an authority to inspect the register together with all the particulars and information which pursuant to section 110 of the Land Registration Act 1925 have or may be required to be furnished on a sale of registered land,
- (b) in the case of any other land, an abstract of his title to the property,

and the landlord shall not later than 4 weeks after receipt of the notice, comply with the requirement contained therein.

(2) Where any landlord or the tenant has served notice under paragraph 5(2) of Schedule 1 to the Act, "landlord" in this condition includes a landlord who served the notice or upon whom such a notice has been served.

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Requisitions

4.—(1) The tenant shall within 14 days after delivery of the abstract or of the authority to inspect the register together with particulars and information (whether or not delivered within the time required) send to the landlord a statement in writing of all objections and requisitions (if any) to or on the title or the evidence of the title, and the abstract or the particulars and information.

(2) All objections and requisitions, other than those going to the root of the title, not included in any statement sent within the aforesaid period shall be deemed waived, and any matters which could have been raised in such objections or requisitions, other than matters going to the root of the title, shall be deemed not to form a defect in the title for the purposes of section 9(2) of the Act.

(3) The landlord shall give a written answer to any objections or requisitions within 14 days of their receipt, and any observations on the answer shall be made within 7 days of the receipt of the answer, and if they are not so made, the answer shall be considered satisfactory.

(4) Any objections not included in any observations so made shall be deemed waived and any matter which could have been raised in any observations so made shall be deemed not to form a defect in the title for the purposes of section 9(2) of the Act.

Particulars of rights of way and restrictions

5.—(1) When or at any time after giving his notice in reply to the tenant's notice the landlord may by notice in writing given to the tenant require him within 4 weeks to state what rights of way and provisions concerning restrictive covenants he requires to be included in the conveyance in accordance with section 10 of the Act.

(2) At any time when under condition 3 the tenant would be entitled to require the landlord to deduce his title he may by notice in writing given to the landlord require him within 4 weeks to state what rights of way over the property and provisions concerning restrictive covenants he requires to be included in the conveyance in accordance with the provisions of the Act.

(3) A notice given under this condition shall contain a statement as to the rights of way and provisions concerning restrictive covenants required by the person giving the notice to be included in the conveyance.

(4) If the tenant does not comply with a notice given under this condition within the time specified or, where no such notice has been given, does not communicate to the landlord a statement of the rights and provisions he requires to be included in the conveyance when or before serving a notice on the landlord under condition 3, the tenant shall be deemed to require no rights of way or provisions concerning restrictive covenants to be included in the conveyance.

(5) If the landlord does not comply with a notice given under this condition within the time specified, or, where no such notice is given, does not communicate to the tenant a statement of the rights and provisions he requires to be included in the conveyance at or before the time fixed for compliance with a notice served on him under condition 3, the landlord shall be deemed to require no rights of way or provisions concerning restrictive covenants to be included in the conveyance.

Completion

6.—(1) After the expiration of one month after the price payable for the property under section 9 of the Act has been determined by agreement or otherwise, either the tenant or the landlord may give the other notice in writing requiring him to complete the conveyance of the property to the tenant, and thereupon the completion date shall be the first working day after the expiration of 4 weeks from giving of the notice.

(2) Completion shall take place at the office of the landlord's solicitor or, if he so requires, at the office of the solicitor of his mortgagee.

Apportionment of rent and outgoings

7. The tenant shall (subject to the next following condition) pay rent up to the date when the conveyance is completed (whether on the completion date or subsequently) and shall as from that date pay all outgoings; and any current rent and all rates and other outgoings shall, if necessary, be apportioned as on that date (the date itself being apportioned to the landlord) and the balance be paid by or allowed to the tenant.

Election for interest in lieu of rent

8.—(1) If from any cause whatsoever (save as hereinafter mentioned) completion is delayed beyond the completion date, the rent shall continue to be payable under the tenancy until actual completion unless the landlord by notice in writing given to the tenant elects to receive interest on the price payable for the property in lieu of rent, in which event in lieu of the rent payable under the tenancy, the price payable (or if a deposit has been paid the balance thereof) shall bear interest at a rate per annum of 2 per cent above the bank rate from time to time in force as from the giving of the notice to the tenant until actual completion.

Provided that, unless the delay in completion is attributable solely to the tenant's own act or default, the tenant may—

- (a) at his own risk, deposit the price payable or, where a deposit has been paid, the balance thereof, at any bank in England or Wales, and
- (b) forthwith give to the landlord or his solicitor notice in writing of the deposit,

and in that case the landlord shall (unless and until there is further delay in completion which is attributable solely to the tenant's own act or default) be bound to accept the interest, if any, allowed thereon, as from the date of such deposit, instead of the interest accruing after such date which would otherwise be payable to him under the foregoing provisions of this condition.

(2) No interest under paragraph (1) of this condition shall become payable by a tenant if, and so long as, delay in completion is attributable to any act or default of the landlord or his mortgagee or Settled Land Act trustees.

Preparation of conveyance

9.—(1) The conveyance shall be prepared by the tenant.

(2) A draft of the conveyance shall be delivered at the office of the landlord's solicitor at least 14 days before the date fixed for completion in accordance with condition 6 and the engrossment of the conveyance for execution by the landlord and other parties, if any, shall be delivered at that office a reasonable time before the date for completion.

(3) Where the conveyance is to contain restrictive covenants and the tenant intends contemporaneously with the conveyance to execute a mortgage or convey any interest in the property to a third party, he shall inform the landlord of his intention and, if necessary, allow the landlord time to give a priority notice for the registration of the intended covenants at least 14 days before the conveyance is completed.

(4) Where a conveyance is to contain any covenant by the tenant or any grant or reservation of rights affecting other property of the landlord, the tenant shall, if the landlord so requires, execute and hand over to the landlord on completion as many duplicates of the conveyance as the landlord may reasonably require and the duplicates shall be prepared and engrossed by the tenant, and where any duplicate is executed the tenant shall, if so required by the landlord, produce the original duly stamped so as to enable the stamp on the duplicate to be denoted.

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Failure to comply with obligations

10.—(1) If either the landlord or the tenant shall neglect or fail to perform any of his obligations arising from the tenant's notice or arising out of any of these conditions, then the other party may give to the party in default at least 2 months' notice in writing referring to this condition, specifying the default and requiring him to make it good before the expiration of the notice.

(2) If the tenant does not comply with such a notice given by the landlord then, without prejudice to any other rights or remedies available to the landlord under the Act or otherwise,

- (a) the landlord and tenant shall thereupon be discharged from the further performance of their obligations, other than the tenant's obligation to pay the landlord's costs, and
- (b) the deposit money, if any, shall be forfeited to the landlord,

but if the landlord recovers any sums in the exercise of any remedy he shall give credit for the deposit against any sums so recovered.

(3) If the landlord does not comply with such a notice given by the tenant, then the tenant may require the deposit money, if any, to be returned to him forthwith and shall be discharged from the obligation to pay the landlord's reasonable costs imposed by section 9 of the Act, and thereupon the landlord and the tenant shall be discharged from the further performance of their obligations, but without prejudice to any other rights or remedies available to the tenant under the Act or otherwise.

Cancellation of land charges etc

11. Where under section 5(5) of the Act a tenant's notice has been registered as a land charge or a notice or caution in respect thereof has been registered and either the tenant gives notice of withdrawal under section 9(3) or section 19(14) of the Act or the landlord is otherwise discharged from the obligations arising out of the notice, the tenant shall at the request of the landlord forthwith at his own cost procure the cancellation of the registration.

Notices

12. Any notice to be given to any person in accordance with these conditions shall be deemed to be effectively given if served personally on that person, or left at his last known place of residence, or sent by post to him or his solicitor or other duly authorised agent at his last known address.

Extension of time limits

13.—(1) These conditions shall have effect as if any period of time for the performance of any act or compliance with any notice (except a notice given under condition 10) by the landlord were twice the length of the period thereby laid down, where a person acting as reversioner under the provisions of Schedule 1 to the Act so requires by notice in writing given to the tenant at any time before the expiration of that period.

(2) Any period when proceedings are pending in any court or tribunal with reference to any matter arising in giving effect to a tenant's notice shall be disregarded in computing any period of time laid down by these conditions or any notice served thereunder.

(3) Any period of time laid down by these conditions or any notice served thereunder shall be extended for such further period as may be reasonable in all the circumstances if any party required to do any act within that period dies or becomes incapable of managing his affairs before the expiration of that period.