

SCHEDULE 2

PART V AS IT APPLIES IN CASES WHERE THE RIGHT TO BUY IS PRESERVED

Qualifying person's sanction for landlord's delay

Payments of rent attributable to purchase price etc.

153B.—(1) Where a qualifying person has served on his landlord an operative notice of delay, this section applies to any payment of rent which is made on or after the default date or, as the case may be, the date of the service of the notice and before the occurrence of any of the following events (and, if more than one event occurs, before the earliest to occur)—

- (a) the service by the landlord of a counter notice under section 153A(3);
- (b) the date on which the landlord makes to the qualifying person the grant required by section 138;
- (d) the date on which the qualifying person withdraws or is deemed to have withdrawn the notice claiming to exercise the right to buy; and
- (e) the date on which the qualifying person ceases to be entitled to exercise the right to buy.

(2) Except where this section ceases to apply on a date determined under paragraph (d) or (e) of subsection (1), so much of any payment of rent to which this section applies as does not consist of—

- (a) a sum due on account of rates or council tax, or
- (b) a service charge (as defined in section 621A),

shall be treated not only as a payment of rent but also as a payment on account by the qualifying person which is to be taken into account in accordance with subsection (3).

(3) In a case where subsection (2) applies, the amount which, apart from this section, would be the purchase price shall be reduced by an amount equal to the aggregate of—

- (a) the total of any payments on account treated as having been paid by the qualifying person by virtue of subsection (2); and
- (b) if those payments on account are derived from payments of rent referable to a period of more than twelve months, a sum equal to the appropriate percentage of the total referred to in paragraph (a).

(4) In subsection (3)(b) “the appropriate percentage” means 50 per cent. or such other percentage as may be prescribed.