



2001 CHAPTER 5

Consequences of redemption

Covenants

16.—(1) Except as provided by this section, in the following event, that is to say—

- (a) upon the sealing of a certificate of redemption, where the land is unregistered land; or
- (b) upon the making of any relevant alteration, cancellation or entry in the register (in accordance with section 13(4)), where the land is registered land,

all covenants concerning the land by virtue of the rent-payer's fee farm grant or lease, or any superior fee farm grant or lease, or any collateral instrument, cease to have effect.

(2) Covenants of the following kinds continue to benefit or, as the case may be, burden the land, that is to say—

- (a) covenants for title, including—
 - (i) a covenant that a former vendor had a good right to convey, transfer or lease, the whole property and interest he had agreed to sell;
 - (ii) covenants for quiet enjoyment, freedom from incumbrances and further assurance;
 - (iii) covenants by a former assignor of a lease that the lease was valid and in full force and that the rent had been paid and the covenants in the lease duly performed;
- (b) covenants for indemnities (except indemnities relating to a ground rent or superior rent which has been redeemed);

- (c) covenants categorizing boundary walls or fences as party walls or fences or in respect of the maintenance, repair or renewal of walls or fences or the preservation of boundaries;
- (d) covenants to do, or to pay for or contribute to the cost of, works on, or to permit works to be done on, or for access to be had to, or for any activity to be pursued on, the land for the benefit of other land;
- (e) covenants to do, or to pay for, or contribute to the cost of, works done on other land where the works benefit the land;
- (f) covenants to reinstate in the event of damage or destruction;
- (g) covenants for the protection of amenities or services or for compliance with a statutory provision (or a requirement under it), including—
 - (i) covenants (however expressed) not to use the land for specified purposes or otherwise than for the purposes of a private dwelling;
 - (ii) covenants against causing nuisance, annoyance, damage or inconvenience to neighbours;
 - (iii) covenants against interfering with facilities which benefit neighbours;
 - (iv) covenants prohibiting, regulating or restricting building works or the erection of any structure, or the planting, cutting or removal of vegetation (including grass, trees and shrubs) or requiring the tending of such vegetation;
- (h) covenants in relation to a body corporate formed for the management of land;
- (i) any covenants which were reciprocally enforceable between the rent-payer and other participants in a relevant building scheme immediately before the redemption of the ground rent by virtue of that scheme;
- (j) any covenant, not falling within any of the preceding paragraphs, which is contained in a lease granted by the Northern Ireland Housing Executive before 10th January 2000 and relates—
 - (i) to a district heating supply provided by the Executive; or
 - (ii) to the repayment to the Executive of any discount of part of the purchase price under a house sales scheme made under the [Housing \(Northern Ireland\) Order 1983 \(NI 15\)](#).

(3) After the event mentioned in paragraph (a) or (b) (whichever is applicable) of subsection (1) (whether that event occurs in relation to both parties or only one party), a covenant categorizing a boundary wall or fence as a party wall or fence has effect as a covenant by each party to contribute one-half of the cost of maintaining, repairing or renewing the wall or fence.

(4) Subsection (2) does not apply to any covenant which is expressed to bind only the covenantor.

(5) Where a covenant to which subsection (2) applies is framed in terms of a condition or limitation, it has effect following the redemption of the ground rent as though it were framed as a covenant (in the strict sense).

(6) Article 45 of the [Property \(Northern Ireland\) Order 1997 \(NI 8\)](#) (enforcement of covenants) applies in relation to a covenant to which paragraph (2) applies as it applies in relation to a covenant to which Article 34 of that Order applies.

(7) In subsection (2)(i)—

“building scheme” means a scheme (express or implied) under which land (whether freehold or leasehold) is divided into two or more parcels subject to obligations which are reciprocally enforceable (whether at law or in equity) between owners of the parcels; and

“relevant building scheme”, in relation to any land, means a building scheme which includes the land or which is taken to subsist in respect of the land by virtue of section 17(6).