

SCHEDULES

SCHEDULE 2

CONSEQUENCES OF CONVERSION OF PERPETUALLY RENEWABLE LEASES

Rights and equities

2.—(1) Subject to the provisions of this Schedule (and, in particular to paragraph 1(2)), the fee simple is for all purposes a graft on the estate created by the lease and is subject to any rights or equities arising from its being such a graft.

(2) Without prejudice to the generality of sub-paragraph (1), any mortgage of the estate created by the lease continues to have effect as if it were, and had been created as, a mortgage of the fee simple, and, in particular.—

- (a) where the instrument creating the mortgage was an assignment of the estate created by the lease, it has effect as if it were a conveyance of the fee simple;
- (b) where that instrument was a sub-lease, it has effect as if it were a lease for a term equivalent to the term of the sub-lease.

Changes to legislation:

There are currently no known outstanding effects for the The Property (Northern Ireland) Order 1997, Cross Heading: Rights and equities.