

Law of Property (Miscellaneous Provisions) Act 1989

1989 CHAPTER 34

2 Contracts for sale etc. of land to be made by signed writing.

- (1) A contract for the sale or other disposition of an interest in land can only be made in writing and only by incorporating all the terms which the parties have expressly agreed in one document or, where contracts are exchanged, in each.
- (2) The terms may be incorporated in a document either by being set out in it or by reference to some other document.
- (3) The document incorporating the terms or, where contracts are exchanged, one of the documents incorporating them (but not necessarily the same one) must be signed by or on behalf of each party to the contract.
- (4) Where a contract for the sale or other disposition of an interest in land satisfies the conditions of this section by reason only of the rectification of one or more documents in pursuance of an order of a court, the contract shall come into being, or be deemed to have come into being, at such time as may be specified in the order.
- (5) This section does not apply in relation to—
 - (a) a contract to grant such a lease as is mentioned in section 54(2) of the ^{M1}Law of Property Act 1925 (short leases);
 - (b) a contract made in the course of a public auction; or
 - [^{F1}(c) a contract regulated under the Financial Services and Markets Act 2000, other than a regulated mortgage contract [^{F2}a regulated home reversion plan, a regulated home purchase plan or a regulated sale and rent back agreement];] and nothing in this section affects the creation or operation of resulting, implied or constructive trusts.
- ^{F3}(6) In this section—

"disposition" has the same meaning as in the Law of Property Act 1925;

"interest in land" means any estate, interest or charge in or over land [^{F4}or in or over the proceeds of sale of land].

 $[^{F5}$ "regulated mortgage contract" $[^{F6}$, "regulated home reversion plan" $[^{F3}$, "regulated home purchase plan" and "regulated sale and rent back agreement"]] must be read with—

- (a) section 22 of the Financial Services and Markets Act 2000,
- (b) any relevant order under that section, and
- (c) Schedule 2 to that Act.]
- (7) Nothing in this section shall apply in relation to contracts made before this section comes into force.
- (8) Section 40 of the Law of Property Act 1925 (which is superseded by this section) shall cease to have effect.

Textual Amendments

- F1 S. 2(5)(c) substituted (1.12.2001) by S.I. 2001/3649, arts. 1, 317(2)
- F2 Words in s. 2(5)(c) substituted (1.7.2009 for specified purposes and 30.6.2010 in so far as not already in force) by The Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2009 (S.I. 2009/1342), arts. 1(2), 24(a)
- F3 Words in s. 2(6) substituted (1.7.2009 for specified purposes and 30.6.2010 in so far as not already in force) by The Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2009 (S.I. 2009/1342), arts. 1(2), 24(b)
- **F4** Words in s. 2(6) repealed (1.1.1997) by 1996 c. 47, s. 25(2), **Sch. 4** (with ss. 24(2), 25(4)(5)); S.I. 1996/2974, **art. 2**
- F5 Definition of "regulated mortgage contract" in s. 2(6) inserted (1.12.2001) by S.I. 2001/3649, arts. 1, 317(3)
- F6 Words in s. 2(6) inserted (6.11.2006 for specified purposes and 6.4.2007 in so far as not already in force) by The Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) (No.2) Order 2006 (S.I. 2006/2383), arts. 1(2), 27(b)

Modifications etc. (not altering text)

C1 S. 2(1)-(6) excluded (retrospective to 31.5.1996) by 1996 c. 61 s. 41(1)(2)

Marginal Citations

M1 1925 c. 20.

Changes to legislation:

There are currently no known outstanding effects for the Law of Property (Miscellaneous Provisions) Act 1989, Section 2.