

Home Repossession (Protection) Bill

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TO

Amend the Law of Property Act 1925 to require a mortgagee to obtain the court's permission before exercising the power of sale, where the mortgaged land consists of or includes a dwelling-house; to make certain powers available to the court in actions by mortgagees for possession of a dwelling-house; and for connected purposes.

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1 Amendment of the Law of Property Act 1925

In section 101 of the Law of Property Act 1925 (c. 20), after subsection (1A) insert—

- “(1B) Where the mortgage is a mortgage of land which consists of or includes a dwelling-house, subsection (1)(i) is subject to the mortgagee applying to the court for permission to exercise the power of sale. 5
- (1C) On an application by the mortgagee under subsection (1B), the court may exercise any of the powers conferred on it by subsection (1D) below if it appears to the court that in the event of its exercising the power the mortgagor is likely to be able within a reasonable period to pay any sums due under the mortgage or to remedy a default consisting of a breach of any other obligation arising under or by virtue of the mortgage. 10
- (1D) The court—
- (a) may adjourn the proceedings, or 15
 - (b) on giving judgment, or making an order, for sale of the mortgaged property, or at any time before the execution of such judgment or order, may—
 - (i) stay or suspend execution of the judgment or order, or
 - (ii) postpone the date of sale 20
- for such period or periods as the court thinks reasonable.

(1E) Any such adjournment, stay, suspension or postponement as is referred to in subsection (1D) above may be made subject to such conditions with regard to payment by the mortgagor of any sum secured by the mortgage or the remedying of any default as the court thinks fit.

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(1F) The court may from time to time vary or revoke any condition imposed by virtue of this section.”

2 Short title and extent

(1) This Act may be cited as the Home Repossession (Protection) Act 2009.

(2) This Act extends to England and Wales only.

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*Ordered to be brought in by Mr Andrew Dismore,
Mr Virendra Sharma, Shona McIsaac,
John Austin, Mike Gapes, Ms Karen Buck,
Siobhain McDonagh, Judy Mallaber, Rob Marris,
Mr Chris Mullin and Dr Evan Harris.*

*Ordered, by The House of Commons,
to be Printed, 3 February 2009.*

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