

LAND REFORM (SCOTLAND) ACT 2016

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 10 – Agricultural Holdings

Chapter 1 – Modern Limited Duration Tenancies

Modern limited duration tenancies

Section 87 – Modern limited duration tenancies: termination and continuation

417. **Section 87** amends the 2003 Act by inserting new sections 8A, 8B, 8C, 8D and 8E after section 8 (continuation and termination of limited duration tenancies). Section 8A enables an MLDT to be terminated when the landlord and tenant agree to the termination in writing, the agreement to terminate is made after the tenancy has started, and provision is made for compensation to be paid to both parties.
418. Section 8B enables a landlord to terminate an MLDT at the end of the tenancy term, when the landlord has provided written notice to the tenant at least one year but no longer than two years before the expiry of the term. Subsection (3) provides that the termination notice will have no effect unless the landlord has previously provided written confirmation to the tenant of the landlord's intention to terminate the tenancy at least two years but no more than three years before the expiry of the term of the tenancy.
419. Section 8C enables a tenant to terminate an MLDT at the expiry of the term of the tenancy by giving notice to the landlord confirming that the tenant intends to quit the land at the expiry of the term. Such notice must be provided between one and two years before the expiry date of the tenancy.
420. Section 8D sets out the notice process to be used for tenants and landlords when applying the break clause for MLDTs (as inserted in the 2003 Act by section 85 of this Act) which enables a tenancy to be terminated after five years. Subsections (6) and (7) set out the grounds on which a landlord can give notice: in cases when the new entrant is not using the land in accordance with the rules of good husbandry, or is failing to comply with other terms of the MLDT lease.
421. Section 8E provides that an MLDT is extended for a further seven year period unless terminated in accordance with section 8A, 8B or 8C and also provides the ability for a landlord and tenant to extend the term of the MLDT by agreement in writing.