

SCHEDULES

SCHEDULE 1

THE REDEMPTION MONEY

Ground rent subject to future increase

4.—(1) This paragraph applies for the purpose of determining, for the purposes of paragraph 1, the yearly amount of a ground rent which is subject to a provision for its increase, on a date or dates falling after the redemption date, by—

- (a) a fixed amount; or
- (b) an amount which is ascertained by a formula.

(2) Where the date for any such increase is more than 12 years after the redemption date, the provision for that increase is to be ignored.

(3) Where the date for any such increase is 12 years or less after the redemption date, the yearly amount of the ground rent is taken to be the aggregate of its amount at the redemption date and a sum representing that increase (or, if more than one, sums representing each such increase) discounted at the rate of 8 per cent. per annum for the period from the date for the increase (or the dates for those respective increases) to the redemption date.

(4) An order under paragraph 2(2) may substitute for the number of years mentioned in sub-paragraphs (2) and (3), and the rate of discount mentioned in sub-paragraph (3), such other number and rate as are fixed by the order.