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SCHEDULES

SCHEDULE 17

APPORTIONMENT OF UNEXPENDED BALANCE OF ESTABLISHED DEVELOPMENT VALUE

Preliminary calculations

- 2 There shall be calculated the amount referable to the relevant area of the rent which might reasonably be expected to be reserved if the relevant land were to be let on terms prohibiting the carrying out of any new development but permitting the carrying out of any other development; and the amount so calculated is in this Schedule referred to as " the existing use rent
- 3 (1) If, in the case of an interest in fee simple which is subject to a rentcharge, or in the case of a tenancy, so much of the rent reserved under the rentcharge or tenancy as is referable to the relevant area exceeds the existing use rent, there shall be calculated the capital value of the right to receive, for the period of the remainder of the term of the rentcharge or tenancy, an annual payment equal to the excess ; and any amount so calculated in the case of any interest is in this Schedule referred to as " the rental liability " of that interest.
- (2) Where the interest in fee simple is subject to more than one rentcharge, then, for the purposes of sub-paragraph (1) of this paragraph, in relation to any period included in the term of two or more of those rentcharges, those two or more rentcharges shall be treated as a single rentcharge charged on the relevant area for the duration of that period, with a rent reserved thereunder of an amount equal to the aggregate of so much of their respective rents as is referable to the relevant area.
- 4 In the case of any interest in reversion—
- (a) there shall be calculated the capital value, as at the time immediately before the relevant date, of the right to receive a sum equal to the unexpended balance of established development value of the relevant area at that time, but payable at the end of the tenancy upon the termination of which the interest in question is immediately expectant; and the amount so calculated in the case of any interest is in this Schedule referred to as " the reversionary development value " of that interest;
- (b) if so much of the rent reserved under the said tenancy as is referable to the relevant area exceeds the existing use rent, there shall also be calculated the capital value as at the said time of the right to receive, for the period of the remainder of the term of that tenancy, an annual payment equal to the excess ; and any amount so determined in the case of any interest is in this Schedule referred to as " the rental increment" of that interest.