

Leasehold Reform, Housing and Urban Development Act 1993

1993 CHAPTER 28

PART I

LANDLORD AND TENANT

CHAPTER I

COLLECTIVE ENFRANCHISEMENT IN CASE OF TENANTS OF FLATS

Procedure following giving of initial notice

Duty of nominee purchaser to disclose existence of agreements affecting specified premises etc.

- (1) If at any time during the period beginning with the relevant date and ending with the [F1 time when a binding contract is entered into in pursuance of the initial notice]
 - (a) there subsists between the nominee purchaser and a person other than a participating tenant any agreement (of whatever nature) providing for the disposal of a relevant interest, or
 - (b) if the nominee purchaser is a company, any person other than a participating tenant holds any share in that company by virtue of which a relevant interest may be acquired.

the existence of that agreement or shareholding shall be notified to the reversioner by the nominee purchaser as soon as possible after the agreement or shareholding is made or established or, if in existence on the relevant date, as soon as possible after that date.

(2) If—

(a) the nominee purchaser is required to give any notification under subsection (1) but fails to do so before the price payable to the reversioner or any other

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Changes to legislation: Leasehold Reform, Housing and Urban Development Act 1993, Section 18 is up to date with all changes known to be in force on or before 22 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- relevant landlord in respect of the acquisition of any interest of his by the nominee purchaser is determined for the purposes of Schedule 6, and
- (b) it may reasonably be assumed that, had the nominee purchaser given the notification, it would have resulted in the price so determined being increased by an amount referable to the existence of any agreement or shareholding falling within subsection (1)(a) or (b),

the nominee purchaser and the participating tenants shall be jointly and severally liable to pay the amount to the reversioner or (as the case may be) the other relevant landlord.

- (3) In subsection (1) "relevant interest" means any interest in, or in any part of, the specified premises or any property specified in the initial notice under section 13(3) (a)(ii).
- (4) Paragraph (a) of subsection (1) does not, however, apply to an agreement if the only disposal of such an interest for which it provides is one consisting in the creation of an interest by way of security for a loan.

Textual Amendments

F1 Words in s. 18(1) substituted (28.2.2005 for E., 31.5.2005 for W.) by Commonhold and Leasehold Reform Act 2002 (c. 15), **ss. 126(2)**, 181(1); S.I. 2004/3056, art. 3(a) (as amended by S.I. 2005/193, art. 2); S.I. 2005/1353, art. 2(a)

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Changes and effects yet to be applied to:
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- s. 18(1) word substituted by 2002 c. 15 Sch. 8 para. 8(2)(b)
- s. 18(1) words substituted by 2002 c. 15 Sch. 8 para. 8(2)(a)
- s. 18(1)(b) repealed by 2002 c. 15 Sch. 14
- s. 18(2) word substituted by 2002 c. 15 Sch. 8 para. 8(3)(b)
- s. 18(2) words repealed by 2002 c. 15 Sch. 14
- s. 18(2) words substituted by 2002 c. 15 Sch. 8 para. 8(3)(a)

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 12A and cross-heading inserted by 2002 c. 15 s. 123(1)
- s. 12A(3)(a)(b) words substituted by S.I. 2009/1941 Sch. 1 para. 140(5)
- s. 12A(4)(a) words substituted by S.I. 2009/1941 Sch. 1 para. 140(5)
- s. 12A(4)(c) words substituted by S.I. 2009/1941 Sch. 1 para. 140(5)
- s. 13(2ZA) inserted by 2002 c. 15 s. 121(3)
- s. 13(2ZB) inserted by 2002 c. 15 s. 123(2)
- s. 13(5A) inserted by 2002 c. 15 Sch. 8 para. 6(3)
- s. 29(4A) inserted by 2002 c. 15 Sch. 8 para. 18(2)
- s. 29(4A) words added by S.I. 2003/2096 Sch. para. 20(b)
- s. 29(4A)(a) words omitted by S.I. 2003/2096 Sch. para. 20(a)
- s. 29(4A)(d) words substituted by S.I. 2009/1941 Sch. 1 para. 140(6)
- s. 70(15) inserted by 2023 asc 3 Sch. 13 para. 166(b)
- s. 78(5A)-(5C) inserted by 2008 c. 17 Sch. 12 para. 15(3)
- s. 78(7) inserted by 2008 c. 17 Sch. 12 para. 15(4)
- s. 79(2)(2A) substituted for s. 79(2) by 2002 c. 15 Sch. 10 para. 16(3)
- s. 156(4) repealed by 2014 asp 14 sch. 2 para. 7
- Sch. 20 para. 5(1A) inserted by 2008 c. 29 Sch. 9 para. 5(2)