
STATUTORY INSTRUMENTS

1987 No. 1942

The Building Societies (Business Premises) Order 1987

Business Premises

3.—(1) Where at a relevant time premises are held under section 6 of the Act (which gives a society the power to hold land for the purposes of its business or that of a subsidiary or other associated body) by virtue of subsection (5) of that section, those premises shall be treated at that time in their entirety as land held under section 17 of the Act (which gives a society the power to hold and develop land as a commercial asset) for the purposes of the requirements of Part III of the Act for the structure of commercial assets unless—

- (a) at that time the society holds, or is treated by paragraph (2) below as holding, a current valuer's certificate which states, in relation to those premises as at a date specified in the certificate, either—
 - (i) that the society's business area is not less than 30 per cent of the total area, or
 - (ii) that, following calculations in accordance with the Schedule below, the open market value of the society's business area is not less than 30 per cent of the open market value of the entirety of the premises, and
- (b) if at the relevant time no part of the premises is or has been occupied by a group member, the society acquired the premises no more than two years before the relevant time.

(2) For the purposes of paragraph (1) above a valuer's certificate, received by the society within two months after the relevant time and which relates to the premises as at a date specified in the certificate (being no later than the relevant time), shall be treated as held by the society at the relevant time.

(3) For the purposes of paragraph (1) above, a valuer's certificate shall no longer be current where either—

- (a) the society's business area has decreased, or
- (b) in the case of a certificate given under paragraph (1)(a)(ii) above, the use (or, where the premises are not yet occupied, the intended use) of the premises, or of any part of the premises, has changed,

since the date specified for the purposes of paragraph (1)(a) above in the certificate.