

SCHEDULE 6

LEASES

PART 3

RENT AND OTHER CONSIDERATION

Variable or uncertain rent

- 10 (1) This paragraph applies where the amount of rent payable under a lease—
- (a) varies in accordance with provision in the lease, or
 - (b) is contingent, uncertain or unascertained.
- (2) As regards rent payable in respect of any period before the end of the fifth year of the term of the lease—
- (a) this Act applies as in relation to other chargeable consideration, and
 - (b) accordingly sections 19 and 20 apply if the amount is contingent, uncertain or unascertained.
- (3) As regards rent payable in respect of any period after the end of the fifth year of the term of the lease, the annual amount of rent is assumed, in every case, to be the equal to the highest amount of rent payable in respect of any period of 12 consecutive months in the first 5 years of the term.
- (4) In determining that amount—
- (a) disregard paragraphs 7(2) and 8(3) (where further lease granted, deemed reduction of rent for overlap period), and
 - (b) if necessary, take into account any amounts determined in accordance with sub-paragraph (2)(b).
- (5) This paragraph is subject to paragraph 12 (adjustment where rent ceases to be uncertain).
- (6) For the purposes of this paragraph and paragraph 12, the cases where the amount of rent payable under a lease is uncertain or unascertained include cases where there is a possibility of that amount being varied under—
- (a) section 12, 13 or 33 of the [Agricultural Holdings Act 1986 \(c. 5\)](#) (provisions relating to increases, reductions and other variations of rent), or
 - (b) Part 2 of the [Agricultural Tenancies Act 1995 \(c. 8\)](#) (rent review under farm business tenancy).
- (7) For the purposes of this Act, no account is to be taken of any provision for rent to be adjusted in line with the retail prices index, consumer prices index or any other similar index used to express a rate of inflation.