

## **LONG LEASES (SCOTLAND) ACT 2012**

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### **EXPLANATORY NOTES**

#### **PART 4: COMPENSATION FOR LOSS OF LANDLORD'S RIGHTS**

##### *Annual rent*

##### *Section 48: Determination of the annual rent*

198. This section lays down how the annual rent should be determined for the purposes of calculating the compensatory payment. In some cases, rent may be paid on a *cumulo* basis. *Cumulo* rent is defined in section 38 and refers to a single rent payable in relation to two or more leases. In these cases, the annual rent is allocated under section 40.
199. In other cases, a lease may be “partially continuing” (a definition of “partially continuing lease” is laid down in section 37). In these cases, the annual rent is allocated under section 41.
200. Where the lease does not involve *cumulo* rents or partially continuing leases, the annual rent is as laid down in the lease, excluding any non-monetary payments.
201. Subsection (2) provides that any rent expressed in non-monetary terms is to be excluded from the calculation of the compensatory payment. Provision is made for non-monetary rents to be the basis of a claim for an additional payment – see section 51(1)(a).