

Long Leases (Scotland) Act 2012

PART 4

COMPENSATION FOR LOSS OF LANDLORD'S RIGHTS

Additional payment

51 Extinguished rights

- (1) The rights referred to in section 50(1) are—
 - (a) any right to a rent to the extent that such right is expressed wholly or partly in non-monetary terms,
 - (b) any right to have the amount payable as rent reviewed or increased from time to time,
 - (c) any right to a rent to the extent that the amount payable is variable from year to year,
 - (d) any right to receive a premium (other than a renewal premium which satisfies the condition in section 49(1)(b)) in return for renewing the lease after a fixed period, where, by virtue of section 71(1)(b) such a renewal is required in order for the lease to comply with section 1(3)(b) and (c),
 - (e) any right to resume natural possession of the land subject to a lease upon expiry of the lease, provided that the lease would expire no later than the end of the period of 200 years beginning with the appointed day,
 - (f) any right, other than a right of pre-emption, enabling a lease to be terminated earlier than the date on which the lease would otherwise expire, providing that such right—
 - (i) is exercisable no later than the end of the period of 200 years beginning with the appointed day,
 - (ii) is not a provision of the lease purporting to terminate the lease, or entitling the landlord to terminate it, in the event of a failure of the tenant to comply with any provision of the lease,
 - (iii) is not a provision of the lease deeming such a failure to be a material breach of contract, and
 - (iv) does not become a real burden by virtue of section 16, 19 or 23, and

Status: Point in time view as at 28/11/2013.

Changes to legislation: There are currently no known outstanding effects for the Long Leases (Scotland) Act 2012, Section 51. (See end of Document for details)

(g) any right to development value, providing that such right does not become a real burden by virtue of section 16 or 19.

(2) In this Part—

"development value" means any significant increase in the value of a lease arising as a result of the subjects of the lease becoming free to be used, or dealt with, in some way not permitted under the lease, and

any reference to a "right to development value" means a right to the benefit of any development value of a lease where—

- (a) the lease was granted subject to a condition, enforceable by the landlord, reserving to the landlord the benefit (whether wholly or in part) of any development value, and
- (b) the consideration (including rent) paid for, or payable under, the lease was—
 - (i) nominal, or
 - (ii) significantly lower than it would have been had the lease not been subject to the condition.

Commencement Information

II S. 51 in force at 28.11.2013 by S.S.I. 2013/322, art. 2(d)

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