



Scottish Crown Estate Act 2019

2019 asp 1

PART 3

MANAGEMENT OF SCOTTISH CROWN ESTATE ASSETS

Managers' powers and duties

12 Meaning of “market value”

- (1) In section 11, “market value” means the estimated amount which it would be reasonable to pay in respect of a relevant transaction based on the assumption that the transaction is agreed to—
- on the day on which the determination of the estimated amount is made,
 - on an arm's-length basis,
 - after proper marketing,
 - between parties each of whom has acted knowledgeably, prudently and willingly,
 - on a day on which a person other than a manager is offering to make a transaction equivalent to the relevant transaction in relation to an asset which is similar to the asset to which the relevant transaction relates, and
 - where the relevant transaction is a grant of a lease, on appropriate terms of lease.
- (2) But where a manager enters into an agreement under which a relevant transaction may or is to occur more than 10 years after the day on which the agreement is entered into—
- subsection (1)(a) does not apply, and
 - the estimated amount is to be determined on the day on which the relevant transaction may or is to occur.
- (3) In the application of section 11 to a relevant transaction made in pursuance of—
- an agreement within the meaning of paragraph 15 of Part 3 of schedule 4 of the Crown Estate Transfer Scheme, “market value” has the meaning given in that paragraph,
 - an agreement within the meaning of paragraph 25(1) of Part 4 of that schedule, “market value” has the meaning given in that paragraph.

Status: This is the original version (as it was originally enacted).

- (4) The Scottish Ministers may by regulations modify—
 - (a) the definition of “market value” in subsection (1),
 - (b) the application of that definition in subsection (2).
- (5) In this section, “relevant transaction” is to be construed in accordance with section 11(1).