



# 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.

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*Changes to legislation: There are currently no known outstanding effects for the  
Scottish Crown Estate Act 2019, Section 12. (See end of Document for details)*

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- (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).

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**Commencement Information**

**II** S. 12 in force at 1.4.2020 by S.S.I. 2020/77, reg. 2(1), sch. 1

**Changes to legislation:**

There are currently no known outstanding effects for the Scottish Crown Estate Act 2019, Section 12.