

## SCHEDULES

### SCHEDULE 1

#### THE REDEMPTION MONEY

*Ground rent under building lease, etc.*

3.—(1) Where land held under a building lease or under a fee farm grant for purposes corresponding to those of a building lease is subject to a ground rent in relation to which there is an agreement providing for one or more than one increase (whether periodic or dependent on a contingency) in the amount of the ground rent related to periods or events in the progress of building or related activities, the provisions of sub-paragraphs (2) to (5) have effect for the purposes of this Schedule.

(2) Subject to sub-paragraph (3), the yearly amount of the ground rent is to be taken to be the greatest annual amount that can become payable in accordance with the agreement (assuming, where an increase is dependent on a contingency, that the contingency will happen).

(3) The amount arrived at under sub-paragraph (2) is subject to such abatement as is appropriate to take account of the period or periods during which ground rent would be payable, or likely to be payable, at a reduced rate in accordance with the agreement if the ground rent were not redeemed.

(4) The redemption money is payable by such instalments at such intervals of time as are appropriate in all the circumstances, except that, where any instalment after the first is due and unpaid for seven days the whole unpaid balance of the redemption money becomes immediately payable.

(5) In this paragraph “contingency” does not include a breach of covenant such as is mentioned in Article 3(3).