Leasehold Reform, Housing and Urban Development Act 1993

1993 CHAPTER 28

PART I

LANDLORD AND TENANT

CHAPTER III

ENFRANCHISEMENT UNDER LEASEHOLD REFORM ACT 1967

Extension of right to enfranchise

63 Extension of right to enfranchise to houses whose value or rent exceeds applicable limit.

After section 1 of the [M1]Leasehold Reform Act 1967 there shall be inserted—

"**1A Right to enfranchisement only in case of houses whose value or rent exceeds limit under s.1 or 4.**

(1) Where subsection (1) of section 1 above would apply in the case of the tenant of a house but for the fact that the applicable financial limit specified in subsection (1)(a)(i) or (ii) or (as the case may be) subsection (5) or (6) of that section is exceeded, this Part of this Act shall have effect to confer on the tenant the same right to acquire the freehold of the house and premises as would be conferred by subsection (1) of that section if that limit were not exceeded.

(2) Where a tenancy of any property is not a tenancy at a low rent in accordance with section 4(1) below but is a tenancy falling within section 4A(1) below, the tenancy shall nevertheless be treated as a tenancy at a low rent for the purposes

Changes to legislation: *Leasehold Reform, Housing and Urban Development Act 1993, Cross Heading: Extension of right to enfranchise is up to date with all changes known to be in force on or before 15 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

of this Part of this Act so far as it has effect for conferring on any person a right to acquire the freehold of a house and premises."

Marginal Citations

M1 1967 c. 88.

64 Tenancies terminable after death or marriage.

(1) The following section shall be inserted in the Leasehold Reform Act 1967 after the section 1A inserted by section 63 above—

"**1B Right to enfranchisement only in case of certain tenancies terminable after death or marriage.**

Where a tenancy granted so as to become terminable by notice after a death or marriage—

(a) is (apart from this section) a long tenancy in accordance with section 3(1) below, but

(b) was granted before 18th April 1980 or in pursuance of a contract entered into before that date,

then (notwithstanding section 3(1)) the tenancy shall be a long tenancy for the purposes of this Part of this Act only so far as this Part has effect for conferring on any person a right to acquire the freehold of a house and premises."

(2) In section 3(1) of that Act (meaning of "long tenancy")—

(a) after "and includes" there shall be inserted " both a tenancy taking effect under section 149(6) of the Law of Property Act 1925 (leases terminable after a death or marriage) and "; and

(b) in the proviso (which prevents certain categories of tenancies terminable after death or marriage being long tenancies), for the words from "if either" onwards there shall be substituted "if—

(a) the notice is capable of being given at any time after the death or marriage of the tenant;

(b) the length of the notice is not more than three months; and

(c) the terms of the tenancy preclude both—

(i) its assignment otherwise than by virtue of section 92 of the Housing Act 1985 (assignments by way of exchange), and

(ii) the sub-letting of the whole of the premises comprised in it."

65 Additional "low rent" test.

After section 4 of the [M2]Leasehold Reform Act 1967 there shall be inserted—

"**4A Alternative rent limits for purposes of section 1A(2).**

(1) For the purposes of section 1A(2) above a tenancy of any property falls within this subsection if either no rent was payable under it in respect of the property

Changes to legislation: *Leasehold Reform, Housing and Urban Development Act 1993, Cross Heading: Extension of right to enfranchise is up to date with all changes known to be in force on or before 15 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

during the initial year or the aggregate amount of rent so payable during that year did not exceed the following amount, namely—

(a) where the tenancy was entered into before 1st April 1963, two-thirds of the letting value of the property (on the same terms) on the date of the commencement of the tenancy;

(b) where—

(i) the tenancy was entered into either on or after 1st April 1963 but before 1st April 1990, or on or after 1st April 1990 in pursuance of a contract made before that date, and

(ii) the property had a rateable value at the date of the commencement of the tenancy or else at any time before 1st April 1990,

two-thirds of the rateable value of the property on the relevant date; or

(c) in any other case, £1,000 if the property is in Greater London or £250 if elsewhere.

(2) For the purposes of subsection (1) above—

(a) "the initial year", in relation to any tenancy, means the period of one year beginning with the date of the commencement of the tenancy;

(b) "the relevant date" means the date of the commencement of the tenancy or, if the property did not have a rateable value on that date, the date on which it first had a rateable value; and

(c) paragraphs (b) and (c) of section 4(1) above shall apply as they apply for the purposes of section 4(1);

and it is hereby declared that in subsection (1) above the reference to the letting value of any property is to be construed in like manner as the reference in similar terms which appears in the proviso to section 4(1) above.

(3) Section 1(7) above applies to any amount referred to in subsection (1)(c) above as it applies to the amount referred to in subsection (1)(a)(ii) of that section."

Marginal Citations

M2 1967 c. 88.

66 Price payable by tenant on enfranchisement by virtue of section 63 or 64.

(1) In section 9 of the [M3]Leasehold Reform Act 1967 (purchase price and costs of enfranchisement, etc.), after subsection (1B) there shall be inserted—

"(1C) Notwithstanding subsection (1) above, the price payable for a house and premises where the right to acquire the freehold arises by virtue of any one or more of the provisions of sections 1A and 1B above shall be determined in accordance with subsection (1A) above; but in any such case—

(a) if in determining the price so payable there falls to be taken into account any marriage value arising by virtue of the coalescence of the freehold and leasehold interests, the share of the marriage value to which the tenant is to be regarded as being entitled shall not exceed one-half of it; and

(b) section 9A below has effect for determining whether any additional amount is payable by way of compensation under that section;

Changes to legislation: *Leasehold Reform, Housing and Urban Development Act 1993, Cross Heading: Extension of right to enfranchise is up to date with all changes known to be in force on or before 15 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

and in a case where the provision (or one of the provisions) by virtue of which the right to acquire the freehold arises is section 1A(1) above, subsection (1A) above shall apply with the omission of the assumption set out in paragraph (b) of that subsection."

(2) Section 9 of that Act, as amended by this section and with the omission of repealed provisions, is set out in Schedule 15 to this Act.

(3) After section 9 of that Act there shall be inserted—

"**9A Compensation payable in cases where right to enfranchisement arises by virtue of section 1A or 1B.**

(1) If, in a case where the right to acquire the freehold of a house and premises arises by virtue of any one or more of the provisions of sections 1A and 1B above, the landlord will suffer any loss or damage to which this section applies, there shall be payable to him such amount as is reasonable to compensate him for that loss or damage.

(2) This section applies to—

(a) any diminution in value of any interest of the landlord in other property resulting from the acquisition of his interest in the house and premises; and

(b) any other loss or damage which results therefrom to the extent that it is referable to his ownership of any interest in other property.

(3) Without prejudice to the generality of paragraph (b) of subsection (2) above, the kinds of loss falling within that paragraph include loss of development value in relation to the house and premises to the extent that it is referable as mentioned in that paragraph.

(4) In subsection (3) above "development value", in relation to the house and premises, means any increase in the value of the landlord's interest in the house and premises which is attributable to the possibility of demolishing, reconstructing, or carrying out substantial works of construction on, the whole or a substantial part of the house and premises.

(5) In relation to any case falling within subsection (1) above—

(a) any reference (however expressed)—

(i) in section 8 or 9(3) or (5) above, or

(ii) in any of the following provisions of this Act,

to the price payable under section 9 above shall be construed as including a reference to any amount payable to the landlord under this section; and

(b) for the purpose of determining any such separate price as is mentioned in paragraph 7(1)(b) of Schedule 1 to this Act, this section shall accordingly apply (with any necessary modifications) to each of the superior interests in question."

Marginal Citations

M3 1967 c. 88.

Changes to legislation:
Leasehold Reform, Housing and Urban Development Act 1993, Cross Heading: Extension of right to enfranchise is up to date with all changes known to be in force on or before 15 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.
View outstanding changes

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:
Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 5(2)(d) and word inserted by 2024 c. 22 Sch. 8 para. 18(1)
- s. 5(2)(aa) inserted by 2024 c. 22 Sch. 3 para. 5(2)
- s. 5A inserted by 2024 c. 22 Sch. 8 para. 18(2)
- s. 8B inserted by 2024 c. 22 Sch. 3 para. 5(3)
- s. 12A and cross-heading inserted by 2002 c. 15 s. 123(1)
- s. 12A(3)(a)(b) words substituted by S.I. 2009/1941 Sch. 1 para. 140(5)
- s. 12A(4)(a) words substituted by S.I. 2009/1941 Sch. 1 para. 140(5)
- s. 12A(4)(c) words substituted by S.I. 2009/1941 Sch. 1 para. 140(5)
- s. 13(2ZA) inserted by 2002 c. 15 s. 121(3)
- s. 13(2ZB) inserted by 2002 c. 15 s. 123(2)
- s. 13(3)(ca) inserted by 2024 c. 22 s. 32(2)
- s. 13(5A) inserted by 2002 c. 15 Sch. 8 para. 6(3)
- s. 21(3)(ba) inserted by 2024 c. 22 s. 31(8)
- s. 24(9) inserted by 2024 c. 22 Sch. 7 para. 2
- s. 27A inserted by 2024 c. 22 s. 42(2)
- s. 29(4A) inserted by 2002 c. 15 Sch. 8 para. 18(2)
- s. 29(4A) words added by S.I. 2003/2096 Sch. para. 20(b)
- s. 29(4A)(a) words omitted by S.I. 2003/2096 Sch. para. 20(a)
- s. 29(4A)(d) words substituted by S.I. 2009/1941 Sch. 1 para. 140(6)
- s. 36(1A) inserted by 2024 c. 22 s. 32(4)(a)
- s. 48(3A) inserted by 2024 c. 22 s. 42(3)(a)
- s. 48(8) inserted by 2024 c. 22 Sch. 7 para. 5
- s. 49(4A) inserted by 2024 c. 22 s. 42(4)(a)
- s. 56(1A)(1B) inserted by 2024 c. 22 s. 36(3)(b)
- s. 61(2A)(2B) inserted by 2024 c. 22 Sch. 8 para. 4(2)(b)
- s. 70(15) inserted by 2023 asc 3 Sch. 13 para. 166(b)
- s. 78(5A)-(5C) inserted by 2008 c. 17 Sch. 12 para. 15(3)
- s. 78(7) inserted by 2008 c. 17 Sch. 12 para. 15(4)
- s. 79(2)(2A) substituted for s. 79(2) by 2002 c. 15 Sch. 10 para. 16(3)
- s. 89A-89H inserted by 2024 c. 22 s. 39(9)
- s. 9191A substituted for s. 91 by 2024 c. 22 s. 42(6)
- s. 92(3)-(5) inserted by 2024 c. 22 s. 42(7)(c)
- s. 9595A substituted for s. 95 by 2024 c. 22 Sch. 3 para. 8
- s. 100(2A) inserted by 2024 c. 22 Sch. 3 para. 5(5)
- s. 156(4) repealed by 2014 asp 14 sch. 2 para. 7
- Sch. A1 inserted by 2024 c. 22 s. 31(3)
- Sch. 1 para. 6(1)(c) and words inserted by 2024 c. 22 Sch. 7 para. 3(2)(a)(ii)
- Sch. 1 para. 7(3A)-(3C) inserted by 2024 c. 22 Sch. 7 para. 3(3)(c)
- Sch. 1 para. 10 and cross-heading inserted by 2024 c. 22 Sch. 7 para. 3(5)
- Sch. 3 para. 15(2A) inserted by 2024 c. 22 s. 31(10)(c)
- Sch. 8 para. 4(4) inserted by 2024 c. 22 Sch. 7 para. 4(b)
- Sch. 9 Pt. 3A inserted by 2024 c. 22 s. 32(5)(b)
- Sch. 9 para. 10(3) inserted by 2024 c. 22 s. 32(5)(c)
- Sch. 9 para. 3A and cross-heading inserted by 2024 c. 22 Sch. 8 para. 21
- Sch. 11 para. 7(2A)-(2C) inserted by 2024 c. 22 Sch. 7 para. 6(3)(b)
- Sch. 11 para. 9A and cross-heading inserted by 2024 c. 22 Sch. 7 para. 6(4)
- Sch. 11 Pt. 3 inserted by 2024 c. 22 Sch. 8 para. 9

- Sch. 11 para. 10A inserted by 2024 c. 22 Sch. 8 para. 22
- Sch. 11 para. 6(2)-(2B) substituted for Sch. 11 para. 6(2) by 2024 c. 22 Sch. 7 para. 6(2)
- Sch. 20 para. 5(1A) inserted by 2008 c. 29 Sch. 9 para. 5(2)