



# Long Leases (Scotland) Act 2012

## 2012 asp 9

### PART 3

#### ALLOCATION OF RENTS AND RENEWAL PREMIUMS ETC.

##### *Allocation of renewal premium*

#### **43 Partially continuing leases: allocation of renewal premium**

- (1) This section applies to a lease which—
  - (a) contains a renewal obligation,
  - (b) complies with section 1(3)(b) and (c) by virtue of section 71(1)(b), and
  - (c) is a partially continuing lease.
- (2) The landlord must, before the expiry of the period of 2 years beginning with the appointed day, allocate the renewal premium between the converted subjects and continuing subjects.
- (3) For the purposes of subsection (2), the renewal premium is—
  - (a) the renewal premium payable under the lease immediately before the appointed day, or
  - (b) where a *cumulo* renewal premium is allocated to the lease under section 42(2), the premium so allocated.
- (4) The allocation under subsection (2) must be in such proportions as are reasonable in all the circumstances.
- (5) For the purposes of subsection (4), the proportions are presumed to be reasonable in so far as they accord with any allocation of rent under section 41.
- (6) The renewal premium payable from the appointed day under the partially continuing lease is the renewal premium allocated to the continuing subjects under subsection (2).