

Leasehold Reform Act 1967

1967 CHAPTER 88

PART I

ENFRANCHISEMENT AND EXTENSION OF LONG LEASEHOLDS

Right to enfranchisement or extension

5 General provisions as to claims to enfranchisement or extension.

- (1) Where under this Part of this Act a tenant of a house has the right to acquire the freehold or an extended lease and gives notice of his desire to have it, the rights and obligations of the landlord and the tenant arising from the notice shall inure for the benefit of and be enforceable against them, their executors, administrators and assigns to the like extent (but no further) as rights and obligations arising under a contract for a sale or lease freely entered into between the landlord and tenant; and accordingly, in relation to matters arising out of any such notice, references in this Part of this Act to the tenant and the landlord shall, in so far as the context permits, include their respective executors, administrators and assigns.
- (2) Notwithstanding anything in subsection (1) above, the rights and obligations there referred to of a tenant shall be assignable with, but not capable of subsisting apart from, the tenancy of the entire house and premises; and if the tenancy is assigned without the benefit of the notice, or if the tenancy of one part of the house and premises is assigned to or vests in any person without the tenancy of another part, the notice shall accordingly cease to have effect, and the tenant shall be liable to make such compensation as may be just to the landlord in respect of the interference (if any) by the notice with the exercise by the landlord of his power to dispose of or deal with the house and premises or any neighbouring property.
- (3) In the event of any default by the landlord or the tenant in carrying out the obligations arising from any such notice, the other of them shall have the like rights and remedies as in the case of a contract freely entered into.
- (4) The provisions of Schedule 1 to this Act shall have effect in relation to the operation of this Part of this Act where a person gives notice of his desire to have the freehold or

an extended lease of a house and premises, and either he does so in respect of a subtenancy or there is a tenancy reversionary on his tenancy; but any such notice given in respect of a tenancy granted by sub-demise out of a superior tenancy other than a long tenancy at a low rent shall be of no effect if the grant was made in breach of the terms of the superior tenancy and there has been no waiver of the breach by the superior landlord.

- (5) No lease shall be registrable under [^{F1}the ^{M1}Land Charges Act 1972] or be deemed to be an estate contract within the meaning of that Act by reason of the rights conferred on the tenant by this Part of this Act to acquire the freehold or an extended lease of property thereby demised, nor shall any right of a tenant arising from a notice under this Act of his desire to have the freehold or to have an extended lease be [^{F2}regarded for the purposes of the Land Registration Act 2002 as an interest falling within any of the paragraphs of Schedule 1 or 3 to that Act]; but any such notice shall be registrable under [^{F3}the ^{M2}Land Charges Act 1972] or may be the subject of a notice [^{F4}under the Land Registration Act 2002], as if it were an estate contract.
- (6) A notice of a person's desire to have the freehold or an extended lease of a house and premises under this Part of this Act—
 - (a) shall be of no effect if at the relevant time any person or body of persons who has or have been, or could be, authorised to acquire the whole or part of the house and premises compulsorily for any purpose has or have, with a view to its acquisition for that purpose, served notice to treat on the landlord or on the tenant, or entered into a contract for the purchase of the interest of either of them, and the notice to treat or contract remains in force; and
 - (b) shall cease to have effect if before the completion of the conveyance in pursuance of the tenant's notice any such person or body of persons serves notice to treat as aforesaid;

but where a tenant's notice ceases to have effect by reason of a notice to treat served on him or on the landlord, then on the occasion of the compulsory acquisition in question the compensation payable in respect of any interest in the house and premises (whether or not the one to which that notice to treat relates) shall be determined on the basis of the value of the interest subject to and with the benefit of the rights and obligations arising from the tenant's notice and affecting that interest.

(7) Where any such notice given by a tenant entitled to acquire the freehold or an extended lease has effect, then (without prejudice to the general law as to the frustration of contracts) the landlord and all other persons shall be discharged from the further performance, so far as relates to the disposal in any manner of the landlord's interest in the house and premises or any part thereof, of any contract previously entered into and not providing for the eventuality of such a notice (including any such contract made in pursuance of the order of any court):

Provided that, in the case of a notice of the tenant's desire to have an extended lease, this subsection shall not apply to discharge a person from performance of a contract unless the contract was entered into on the basis, common to both parties, that vacant possession of the house and premises or part thereof would or might be obtainable on the termination of the existing tenancy.

(8) A tenant's notice of his desire to have an extended lease under this Part of this Act shall cease to have effect if afterwards (being entitled to do so) he gives notice of his desire to have the freehold.

Changes to legislation: There are currently no known outstanding effects for the Leasehold Reform Act 1967, Section 5. (See end of Document for details)

Textual Amendments

- F1 Words substituted by virtue of Land Charges Act 1972 (c. 61), s. 18(6)
- F2 Words in s. 5(5) substituted (13.10.2003) by Land Registration Act 2002 (c. 9), s. 136(2), Sch. 11 para. 8(2)(a) (with s. 129); S.I. 2003/1725, art. 2(1)
- F3 Words substituted by virtue of Land Charges Act 1972 (c. 61), s. 18(6)
- F4 Words in s. 5(5) substituted (13.10.2003) by Land Registration Act 2002 (c. 9), s. 136(2), Sch. 11 para. 8(2)(b) (with s. 129); S.I. 2003/1725, art. 2(1)

Marginal Citations

- M1 1972 c. 61.
- **M2** 1972 c. 61.

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