

SCHEDULES

SCHEDULE 1

THE REDEMPTION MONEY

Ground rent under building lease, etc.

3.—(1) This paragraph applies for the purpose of determining, for the purposes of paragraph 1, the yearly amount of a ground rent—

- (a) to which land held under a building lease or under a fee farm grant for purposes corresponding to those of a building lease is subject; and
- (b) 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.

(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) In this paragraph “contingency” does not include a breach of covenant such as is mentioned in section 28(4).