

Changes to legislation: Leasehold Reform, Housing and Urban Development Act 1993, Part III is up to date with all changes known to be in force on or before 20 April 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

SCHEDULES

SCHEDULE 13

PREMIUM AND OTHER AMOUNTS PAYABLE BY TENANT ON GRANT OF NEW LEASE

Commencement Information

II Sch. 13 wholly in force at 1.11.1993 see s. 188(2) and S.I. 1993/2134, art. 5

PART III

AMOUNTS PAYABLE TO OWNERS OF INTERMEDIATE LEASEHOLD INTERESTS

Amount payable to owner of intermediate interest

- 6 In connection with the grant of the new lease to the tenant there shall be payable by the tenant to the owner of any intermediate leasehold interest an amount which is the aggregate of—
- the diminution in value of that interest as determined in accordance with paragraph 7; and
 - any amount of compensation payable to him under paragraph 9.

Diminution in value of intermediate interest

- 7 (1) The diminution in value of any intermediate leasehold interest is the difference between—
- the value of that interest prior to the grant of the new lease; and
 - the value of that interest once the new lease is granted.
- (2) Each of those values shall be determined, as at ^{F1}the relevant date], in accordance with paragraph 8.

Textual Amendments

F1 Words in Sch. 13 para. 7 substituted (26.7.2002 for E. and 1.1.2003 for W.) by Commonhold and Leasehold Reform Act 2002 (c. 15), s. 134; S.I. 2002/1912, art. 2(b)(i) (subject to Sch. 2); S.I. 2002/3012, art. 2(b)(i) (subject to Sch. 2)

Value of intermediate interests

- 8 (1) Subject to sub-paragraph (2), paragraph 3(2) to (6) shall apply for determining the value of any intermediate leasehold interest for the purposes of any provision of this Schedule with such modifications as are appropriate to relate those provisions of

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paragraph 3 to a sale of the interest in question subject to the tenant’s lease for the time being and to any leases intermediate between the interest in question and that lease.

- [^{F2}(2) The value of an intermediate leasehold interest which is the interest of the tenant under a minor intermediate lease is to be calculated in accordance with regulations made by the appropriate national authority instead of in accordance with sub-paragraph (1).]
- (3) “A minor intermediate lease” means a lease complying with the following requirements, namely—
- (a) it must have an expectation of possession of not more than one month, and
 - (b) the profit rent in respect of the lease must be not more than £5 per year.
- (4) “Profit rent” means an amount equal to that of the rent payable under the lease on which the minor intermediate lease is in immediate reversion, less that of the rent payable under the minor intermediate lease.
- (5) Where the minor intermediate lease or that on which it is in immediate reversion comprises property other than the tenant’s flat, then in sub-paragraph (4) the reference to the rent payable under it means so much of that rent as is apportioned to that flat.
- ^{F3}(6)
- ^{F3}(7)
- (8) For the purposes of this paragraph the expectation of possession carried by a lease is the expectation which it carries at [^{F4}the relevant date] of possession after the tenant’s lease, on the basis that—
- (a) (subject to sub-paragraph (9)) the tenant’s lease terminates at [^{F4}the relevant date] if its term date fell before then, or else it terminates on its term date; and
 - (b) any other lease terminates on its term date.
- (9) In a case where before the relevant date for the purposes of this Chapter the immediate landlord of the tenant had given notice to quit terminating the tenant’s lease on a date earlier than that date, the date specified in the notice to quit shall be substituted for the date specified in sub-paragraph (8)(a) above.
- [^{F5}(10) In sub-paragraph (2) “appropriate national authority” means—
- (a) in relation to a leasehold interest of land in England, the Secretary of State;
 - (b) in relation to a leasehold interest of land in Wales, the Welsh Ministers.]

Textual Amendments

- F2** Sch. 13 para. 8(2) substituted (12.5.2016) by [Housing and Planning Act 2016 \(c. 22\)](#), s. 216(1)(c), [Sch. 10 para. 5\(2\)](#) (with [Sch. 10 para. 5\(5\)](#))
- F3** Sch. 13 para. 8(6)(7) omitted (12.5.2016) by virtue of [Housing and Planning Act 2016 \(c. 22\)](#), s. 216(1)(c), [Sch. 10 para. 5\(3\)](#) (with [Sch. 10 para. 5\(5\)](#))
- F4** Words in Sch. 13 para. 8 substituted (26.7.2002 for E. and 1.1.2003 for W.) by [Commonhold and Leasehold Reform Act 2002 \(c. 15\)](#), s. 134; S.I. 2002/1912, [art. 2\(b\)\(i\)](#) (subject to [Sch. 2](#)); S.I. 2002/3012, [art. 2\(b\)\(i\)](#) (subject to [Sch. 2](#))

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- F5** Sch. 13 para. 8(10) inserted (12.5.2016) by [Housing and Planning Act 2016 \(c. 22\)](#), s. 216(1)(c), [Sch. 10 para. 5\(4\)](#) (with [Sch. 10 para. 5\(5\)](#))

Compensation for loss arising out of grant of new lease

- 9 Paragraph 5 shall apply in relation to the owner of any intermediate leasehold interest as it applies in relation to the landlord.

Owners of intermediate interests entitled to part of marriage value

- 10 (1) This paragraph applies in a case where—
- (a) the premium payable by the tenant in respect of the grant of the new lease includes an amount in respect of the landlord's share of the marriage value, and
 - (b) there are any intermediate leasehold interests.
- (2) The amount payable to the landlord in respect of his share of the marriage value shall be divided between the landlord and the owners of any such intermediate interests in proportion to the amounts by which the values of their respective interests in the flat will be diminished in consequence of the grant of the new lease.
- (3) For the purposes of sub-paragraph (2)—
- (a) the amount by which the value of the landlord's interest in the flat will be so diminished is the diminution in value of that interest as determined for the purposes of paragraph 2(a); and
 - (b) the amount by which the value of any intermediate leasehold interest will be so diminished is the diminution in value of that interest as determined for the purposes of paragraph 6(a).
- (4) Where the owner of any intermediate leasehold interest is entitled in accordance with sub-paragraph (2) to any part of the amount payable to the landlord in respect of the landlord's share of the marriage value, the amount to which he is so entitled shall be payable to him by the landlord.

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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. 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(5A) inserted by 2002 c. 15 Sch. 8 para. 6(3)
- 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. 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. 156(4) repealed by 2014 asp 14 sch. 2 para. 7
- Sch. 20 para. 5(1A) inserted by 2008 c. 29 Sch. 9 para. 5(2)