

These notes refer to the Commonhold and Leasehold Reform Act 2002 (c.15) which received Royal Assent on 1st May 2002

COMMONHOLD AND LEASEHOLD REFORM ACT 2002

EXPLANATORY NOTES

COMMENTARY ON THE SECTIONS: PART 1

Purchase price

Section 134: Valuation date

227. *Section 134* provides that the determination of the various values included in the price payable by the tenant under Schedule 13 to the 1993 Act shall be as at the 'relevant date' – that is, the date of service of the initial notice under section 39 of that Act, instead of as at the 'valuation date' – that is, the date at which it has been agreed or determined what will be acquired by the tenant.

Section 135: Landlord's share of marriage value

228. *Section 135* provides that the freeholder's share of marriage value shall be 50% in all cases, rather than - as now - at least 50% with a higher share going to the landlord where it is agreed by the parties or where a LVT determines that the landlord should have a greater share.

Section 136: Disregard of marriage value in case of very long leases

229. *Section 136* provides that where the unexpired term of the existing lease exceeds 80 years at the relevant date, the marriage value shall be taken to be nil.

Chapter 4: Leasehold houses

Section 137: Introductory

230. *Section 137* provides that this Chapter amends the 1967 Act.