



# Commonhold and Leasehold Reform Act 2002

## 2002 CHAPTER 15

### PART 2

#### LEASEHOLD REFORM

### CHAPTER 3

#### NEW LEASES FOR TENANTS OF FLATS

##### *Introductory*

#### **129 Amendments of right to acquire new lease**

This Chapter amends the right of tenants of flats to acquire new leases which is conferred by Chapter 2 of Part 1 of the 1993 Act.

##### *Qualifying rules*

#### **130 Replacement of residence test**

- (1) Section 39 of the 1993 Act (the right) is amended as follows.
- (2) In subsection (2)(a) (requirement that tenant is qualifying tenant of flat on the relevant date), for “is” substitute “has for the last two years been”.
- (3) Omit subsections (2)(b), (2A) and (2B) (requirement that tenant has occupied flat as only or principal home for three years).

**131 Qualifying leases**

In section 39(3) of the 1993 Act (which applies for the purposes of Chapter 2 of Part 1 of the 1993 Act the definition of qualifying tenant in Chapter 1 of that Part), omit paragraphs (c) and (d) (leases at a low rent and leases for a particularly long term).

**132 Personal representatives**

(1) In section 39 of the 1993 Act, after subsection (3) insert—

“(3A) On the death of a person who has for the two years before his death been a qualifying tenant of a flat, the right conferred by this Chapter is exercisable, subject to and in accordance with this Chapter, by his personal representatives; and, accordingly, in such a case references in this Chapter to the tenant shall, in so far as the context permits, be to the personal representatives.”

(2) In section 42 of the 1993 Act (notice by qualifying tenant of claim to exercise right), before subsection (5) insert—

“(4A) A notice under this section may not be given by the personal representatives of a tenant later than two years after the grant of probate or letters of administration.”

**133 Crown leases**

In section 94 of the 1993 Act (Crown land), for subsection (2) substitute—

“(2) Chapter 2 applies as against a landlord under a lease from the Crown if—

- (a) a sub-tenant is seeking a new lease under that Chapter and the landlord, or a superior landlord under a lease from the Crown, is entitled to grant such a new lease without the concurrence of the appropriate authority, or
- (b) the appropriate authority notifies the landlord that, as regards any Crown interest affected, it will grant or concur in granting such a new lease.”

*Purchase price***134 Valuation date**

In Schedule 13 to the 1993 Act (premium and other amounts payable by tenant on grant of new lease), for “the valuation date” (in each place) substitute “the relevant date”.

**135 Landlord’s share of marriage value**

In paragraph 4(1) of Schedule 13 to the 1993 Act (landlord’s share of marriage value), for the words after “landlord’s share of the marriage value is” substitute “50 per cent. of that amount”.

**136 Disregard of marriage value in case of very long leases**

(1) Paragraph 4 of Schedule 13 to the 1993 Act (meaning of marriage value) is amended as follows.

- (2) In sub-paragraph (2), insert at the beginning “Subject to sub-paragraph (2A),”.
- (3) After that sub-paragraph insert—
  - “(2A) Where at the relevant date the unexpired term of the tenant’s existing lease exceeds eighty years, the marriage value shall be taken to be nil.”