



Commonhold and Leasehold Reform Act 2002

2002 CHAPTER 15

PART 2

LEASEHOLD REFORM

CHAPTER 4

LEASEHOLD HOUSES

Qualifying rules

140 Exclusion of certain business tenancies

After subsection (1ZB) of section 1 of the 1967 Act (inserted by section 138(2))
insert—

“(1ZC) The references in subsection (1)(a) and (b) to a long tenancy do not include
a tenancy to which Part 2 of the Landlord and Tenant Act 1954 (business
tenancies) applies unless—

- (a) it is granted for a term of years certain exceeding thirty-five years,
whether or not it is (or may become) terminable before the end of that
term by notice given by or to the tenant or by re-entry, forfeiture or
otherwise,
- (b) it is for a term fixed by law under a grant with a covenant or obligation
for perpetual renewal, unless it is a tenancy by sub-demise from one
which is not a tenancy which falls within any of the paragraphs in this
subsection,
- (c) it is a tenancy taking effect under section 149(6) of the Law of Property
Act 1925 (c. 20) (leases terminable after a death or marriage), or
- (d) it is a tenancy which—

Changes to legislation: There are currently no known outstanding effects for the Commonhold and Leasehold Reform Act 2002, Section 140. (See end of Document for details)

- (i) is or has been granted for a term of years certain not exceeding thirty-five years, but with a covenant or obligation for renewal without payment of a premium (but not for perpetual renewal), and
- (ii) is or has been once or more renewed so as to bring to more than thirty-five years the total of the terms granted (including any interval between the end of a tenancy and the grant of a renewal).

(1ZD) Where this Part of this Act applies as if there were a single tenancy of property comprised in two or more separate tenancies, then, if each of the separate tenancies falls within any of the paragraphs of subsection (1ZC) above, that subsection shall apply as if the single tenancy did so.”

Commencement Information

- II** S. 140 wholly in force at 1.1.2003; s. 140 not in force at Royal Assent, see s. 181(1); s. 140 in force at 26.7.2002 for E. by [S.I. 2002/1912](#), [art. 2\(b\)\(i\)](#) (subject to transitional provisions and savings in [Sch. 2](#)); s. 140 in force at 1.1.2003 for W. by [S.I. 2002/3012](#), [art. 2\(b\)\(i\)](#) (subject to transitional provisions and savings in [Sch. 2](#))

Changes to legislation:

There are currently no known outstanding effects for the Commonhold and Leasehold Reform Act 2002, Section 140.