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SCHEDULES

SCHEDULE 1

Section 7

CATEGORIES OF PERMITTED LEASE

PART 1

CATEGORIES OF PERMITTED LEASE FOR TRIBUNAL CERTIFICATION

Leases granted out of historic leasehold estates

- 1 A lease granted out of a leasehold estate (the “superior leasehold estate”) where—
- (a) the superior leasehold estate was granted before 22 December 2017, or
 - (b) the superior leasehold estate was granted on or after 22 December 2017 in pursuance of an agreement entered into before that date.

Community housing leases

- 2 (1) A lease that—
- (a) is a community housing lease, and
 - (b) meets any further conditions which may be specified in regulations made by the Secretary of State.
- (2) A lease is a community housing lease if—
- (a) the landlord under the lease is a community land trust within the meaning of section 2(7A) of the LR(GR)A 2022 (excepted leases), or
 - (b) it is a lease of a house which is, or is in, a building within paragraph 2B of Schedule 14 to the Housing Act 2004 (buildings controlled or managed by co-operative societies), disregarding sub-paragraph (3)(b) of that paragraph.
- (3) A statutory instrument containing regulations made under sub-paragraph (1)(b) is subject to the negative procedure.

Retirement housing leases

- 3 (1) A lease that—
- (a) is a retirement housing lease, and
 - (b) meets any further conditions which may be specified in regulations made by the Secretary of State.
- (2) A lease is a retirement housing lease if—
- (a) it is a term of the lease that the house comprised in the lease may be occupied only by persons who have attained a minimum age,
 - (b) that minimum age is not less than 55, and

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- (c) the house comprised in the lease is part of a retirement development or scheme in which the leases of all the houses in that development or scheme meet the requirements set out in paragraphs (a) and (b).
- (3) A statutory instrument containing regulations made under sub-paragraph (1)(b) is subject to the negative procedure.

Leases of certain National Trust property

- 4 A lease of a house where the house comprised in the lease—
 - (a) is a property or part of a property vested inalienably in the National Trust for Places of Historic Interest or Natural Beauty (“the National Trust”) under section 21 of the National Trust Act 1907, or
 - (b) is inalienable by the National Trust by virtue of section 8 of the National Trust Act 1939.

Leases granted by the Crown

- 5 (1) A lease granted out of a freehold estate by the Crown.
- (2) In this paragraph “the Crown” means—
 - (a) His Majesty in right of the Crown, in right of His private estates, or in right of the Duchy of Lancaster, or
 - (b) the Duchy of Cornwall.

PART 2

CATEGORIES OF PERMITTED LEASE FOR SELF-CERTIFICATION

Leases agreed before commencement

- 6 A lease granted in pursuance of an agreement entered into before the day on which section 1 comes into force.

Shared ownership leases

- 7 (1) A lease that—
 - (a) is a shared ownership lease, and
 - (b) meets conditions A to D.
- (2) But conditions C and D do not need to be met if the shared ownership lease is of a description specified for this purpose in regulations made by the Secretary of State.
- (3) A shared ownership lease means a lease of a house—
 - (a) granted on payment of a premium calculated by reference to a percentage of the value of the house or of the cost of providing it, or
 - (b) under which the tenant (or the tenant’s personal representatives) will or may be entitled to a sum calculated by reference, directly or indirectly, to the value of the house.

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- (4) Condition A: the lease allows for the tenant to increase the tenant's share in the house by increments of 25% or less (whether or not the lease also provides for increments of more than 25%).
- (5) Condition B: the lease provides—
 - (a) for the price payable for an increase in the tenant's share in the house to be proportionate to the market value of the house at the time the share is to be increased, and
 - (b) if the tenant's share is increased, for the rent payable by the tenant in respect of the landlord's share in the house to be reduced by an amount reflecting the increase in the tenant's share.
- (6) Condition C: the lease allows for the tenant's share in the house to reach 100%.
- (7) Condition D: if and when the tenant's share in the house is 100%, the tenancy—
 - (a) allows for the tenant to acquire the freehold of the house (if the landlord has the freehold), or
 - (b) provides that the terms of the lease which make the lease a shared ownership lease cease to have effect (if the landlord does not have the freehold),
without the payment of further consideration.
- (8) A statutory instrument containing regulations made under [sub-paragraph \(2\)](#) is subject to the negative procedure.

Home finance plan leases

- 8
- (1) A lease that —
 - (a) is a home finance plan lease, and
 - (b) meets any further conditions which may be specified in regulations made by the Secretary of State.
 - (2) A lease is a home finance plan lease if—
 - (a) it is granted pursuant to an arrangement which is a regulated home reversion plan within the meaning of Article 63B of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 ([S.I. 2001/544](#)), or
 - (b) it is granted by a finance provider to a home buyer, pursuant to a rent to buy arrangement.
 - (3) A “rent to buy arrangement” is an arrangement in relation to which the following conditions are met—
 - (a) a person (the “finance provider”) buys a qualifying interest, or an undivided share of a qualifying interest, in land, and
 - (b) the arrangement provides for the obligation of another person (the “home buyer”) to buy the interest bought by the finance provider over the course of, or at the end of, a specified period.
 - (4) A “qualifying interest in land” means an estate in fee simple absolute or a term of years absolute, whether subsisting at law or in equity.
 - (5) A statutory instrument containing regulations made under [sub-paragraph \(1\)\(b\)](#) is subject to the negative procedure.

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Extended leases

- 9 (1) An extended lease, which is a lease that falls within any of cases A to C.
- (2) Case A: a lease of a house granted under Part 1 of the LRA 1967 (tenant of leasehold house entitled to extended lease) in substitution for a lease of a house granted before this Part comes into force.
- (3) Case B: a lease of a house granted in consideration of the surrender in whole or part of a lease of that house granted before this Part comes into force.
- (4) Case C: a lease of a house which takes effect as a deemed surrender and regrant of a lease of a house granted before this Part comes into force.

Agricultural leases

- 10 An agricultural lease, which is a lease where the house is comprised in—
- (a) an agricultural holding within the meaning of the Agricultural Holdings Act 1986 which is held under a tenancy to which that Act applies, or
 - (b) a farm business tenancy within the meaning of the Agricultural Tenancies Act 1995.