



2001 CHAPTER 5

The redemption of ground rents

Exceptions to, or restrictions on, sections 1 and 2

3.—(1) Section 1 does not apply where—

- (a) the ground rent is payable under a lease which has been the subject of a notice of a proposal to acquire the fee simple, or to obtain an extension, under section 2 of the Act of 1971; and
- (b) the notice is capable of being withdrawn, but has not been withdrawn, under section 7 of that Act.

(2) Sections 1 and 2 do not apply where the ground rent is payable under a lease the term of which has been extended under the Act of 1971.

(3) Sections 1 and 2 do not apply where the ground rent is payable under a lease which has a short residuary term.

(4) For the purposes of subsection (3) a lease has a short residuary term where the unexpired residue of the term of the lease is 50 years or less on—

- (a) in the case of section 1, the application date;
- (b) in the case of section 2, the date of execution of a conveyance or transfer such as is mentioned in subsection (1) or (2) of that section.

(5) Sections 1 and 2 do not apply where a ground rent is payable under a lease, and—

- (a) the lease is an equity-sharing lease; or
- (b) the lease is of agricultural land within the meaning of section 43(1) of the Agriculture Act (Northern Ireland) 1949 (c. 2) (whether or not including farm houses and farm buildings); or

- (c) the rent-owner or a superior owner is the National Trust and the Trust's estate in the land is vested in it inalienably under section 21 of the [National Trust Act 1907 \(c. xxxvi\)](#);

nor does section 2 apply to a conveyance or transfer from the lessor to the lessee upon the termination of an equity-sharing lease.

(6) Sections 1 and 2 do not apply where the ground rent is payable under a lease and proceedings, otherwise than by the rent-payer, in any court for recovery of possession of the land are pending.

(7) Sections 1 and 2 do not apply to a flat, that is to say, a unit of accommodation in a development containing two or more such units, where—

- (a) each such unit is dependent to a substantial degree on one or more than one other such unit for support or shelter; and
- (b) the boundary, or part of the boundary, between at least two such units is horizontal; and
- (c) the owners or occupiers of such units, or any of them share or may share in the enjoyment of common parts.

(8) In subsection (7)—

“common parts” means any parts of the development or facilities therein not included in a lease or grant of a unit which, in consideration of a periodic payment which is not merely nominal, are provided or used for the accommodation (direct or indirect) of the rent-payers or their tenants or licensees or any of them or members of their households or their visitors, and includes (where relevant, having regard to the terms of the lease or grant) boundary walls or fences, gardens, roads, paths, parking or drying areas, areas for waste storage or disposal, play areas, rooms or areas reserved for the use of the manager of the development or his staff, sewers, drains, watercourses, water tanks, pipes, gutters, cables, wires, ducts, utility rooms, forecourt, steps, staircases, passages, lifts and the structure and exterior of buildings (but does not include any sewer, drain, watercourse, pipe, cable, wire, duct or installation which is vested in a government department or a body established under a statutory provision or for purposes of public utility);

“development” means land comprising units of accommodation together with common parts and includes a distinct part of a development;

“unit of accommodation” means a part of a building which is leased or granted to a rent-payer subject to a ground rent.

(9) Section 2 does not apply to the conveyance or transfer of a dwelling-house to—

- (a) the Northern Ireland Co-ownership Housing Association; or

Status: This is the original version (as it was originally enacted).

- (b) any other housing association (within the meaning of the [Housing \(Northern Ireland\) Order 1992 \(NI 15\)](#)) specified by an order made by the Department for Social Development subject to negative resolution.