

Leasehold Reform (Ground Rent) Act 2022

2022 CHAPTER 1

Prohibited and permitted rent

6 Permitted rent: leases replacing pre-commencement leases

- (1) This section applies where—
 - (a) the tenant under a pre-commencement lease is granted a new lease (a "replacement lease") of premises which consist of, or include, some or all of the premises demised by the pre-commencement lease,
 - (b) the term of the replacement lease begins before the end of the term of the precommencement lease, and
 - (c) the replacement lease is a regulated lease.
- (2) The permitted rent under the replacement lease is—
 - (a) in respect of the excepted period, a rent not exceeding the rent that would have been payable under the pre-commencement lease in respect of that period;
 - (b) in respect of the regulated period (if any), a peppercorn rent.
- (3) The "excepted period" is the period which—
 - (a) begins with the first day of the term of the replacement lease, and
 - (b) ends with the last day of the term of the pre-commencement lease.
- (4) The "regulated period" is the period which—
 - (a) begins immediately after the excepted period, and
 - (b) ends with the last day of the term of the replacement lease.
- (5) Where—
 - (a) the tenant under a lease to which subsection (2) applies is granted a new lease of premises which consist of, or include, some or all of the premises demised by that lease,
 - (b) the term of the new lease begins before the end of the term of the precommencement lease, and

Changes to legislation: There are currently no known outstanding effects for the Leasehold Reform (Ground Rent) Act 2022, Section 6. (See end of Document for details)

- (c) the new lease is a regulated lease, subsections (2) to (4) apply to the new lease, reading references to the replacement lease as references to the new lease.
- (6) Where the pre-commencement lease is a relevant shared ownership lease, subsection (2)(a) applies as if after "payable" there were inserted "in respect of the tenant's share in the demised premises".
- (7) Where a lease to which subsection (2) applies is a relevant shared ownership lease—
 - (a) that subsection applies as if after "replacement lease" there were inserted "in respect of the tenant's share in the demised premises", and
 - (b) the permitted rent in respect of the landlord's share in the demised premises is any rent.
- (8) In this section—
 - (a) "pre-commencement lease" means a long lease of a dwelling which is granted before the day which is the relevant commencement day in relation to the replacement lease;
 - (b) references to the end of the term of the pre-commencement lease are to what would have been the end of the term of the pre-commencement lease if the replacement lease had not been granted.
- (9) Section 5(3) to (7) applies for the purposes of this section.

Commencement Information

- II S. 6 not in force at Royal Assent, see s. 25(2)
- I2 S. 6 in force at 30.6.2022 for specified purposes by S.I. 2022/694, reg. 3
- I3 S. 6 in force at 1.4.2023 in so far as not already in force by S.I. 2022/694, reg. 4

Changes to legislation:

There are currently no known outstanding effects for the Leasehold Reform (Ground Rent) Act 2022, Section 6.