



# Leasehold and Freehold Reform Act 2024

## 2024 CHAPTER 22

### PART 2

#### LEASEHOLD ENFRANCHISEMENT AND EXTENSION

##### *Price payable on enfranchisement or extension*

PROSPECTIVE

#### **36 LRHUDA 1993: determining price payable for collective enfranchisement or new lease**

- (1) The LRHUDA 1993 is amended as follows.
- (2) In section 32 (determination of price for collective enfranchisement), for subsection (1) substitute—
  - “(1) The price payable on the acquisition of a freehold and other interests under this Chapter is to be determined in accordance with section 37 of the Leasehold and Freehold Reform Act 2024.”
- (3) In section 56 (obligation to grant new lease)—
  - (a) in subsection (1), for paragraph (b) substitute—
    - “(b) on payment of the price payable in respect of the grant as determined in accordance with section 37 of the Leasehold and Freehold Reform Act 2024,”;
  - (b) after subsection (1) insert—
    - “(1A) But if the existing lease is a shared ownership lease, the rent payable under the new lease of the flat is as follows (and subsection (1) does not apply for the purpose of specifying the rent under the new lease)—
      - (a) whether or not the existing lease provides for rent to be payable in respect of the tenant’s share in the flat, the new

*Status: This version of this provision is prospective.*

*Changes to legislation: There are currently no known outstanding effects for the Leasehold and Freehold Reform Act 2024, Section 36. (See end of Document for details)*

lease must provide for a peppercorn rent to be payable in respect of the tenant's share;

- (b) if the existing lease provides for rent to be payable in respect of the landlord's share in the flat, section 57(1) applies to the terms of the new lease relating to that rent;

and a reference in any enactment (whenever passed or made) to rent payable in accordance with subsection (1) includes a reference to the rent payable in accordance with this subsection.

- (1B) For the purposes of subsection (1A), if the existing lease does not reserve separate rents in respect of the tenant's share in the flat and the landlord's share in the flat, any rent reserved is to be treated as reserved in respect of the landlord's share.”

- (4) Omit Schedule 6 (purchase price payable by nominee purchaser).

- (5) Omit Schedule 13 (premium and other amounts payable by tenant on grant of new lease).

#### Commencement Information

- II** S. 36 not in force at Royal Assent, see [s. 124\(3\)](#)

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