



Leasehold and Freehold Reform Act 2024

2024 CHAPTER 22

PART 2

LEASEHOLD ENFRANCHISEMENT AND EXTENSION

Price payable on enfranchisement or extension

37 Enfranchisement or extension: new method for calculating price payable

- (1) Where this section applies to the acquisition of a freehold or grant of a lease, the price payable is—
 - (a) the market value, and
 - (b) the other compensation (if any).
- (2) [Schedule 4](#) sets out—
 - (a) how the market value is to be determined — see [Parts 1 to 5](#) and [7](#) of the Schedule, and
 - (b) how to divide the market value into shares (where loss is suffered by certain landlords other than the landlord transferring the freehold or granting the lease) — see [Part 6](#) of the Schedule.
- (3) [Schedule 5](#) sets out when other compensation is payable and how to determine its amount.
- (4) [Schedule 6](#) contains interpretation provision applicable to Schedules [4](#) and [5](#).
- (5) [Schedule 7](#) contains amendments of the LRA 1967 and the LRHUDA 1993 that are consequential on sections [35](#) and [36](#), this section and [Schedules 4 to 6](#).
- (6) These are the provisions under which this section applies to the acquisition of a freehold or grant of a lease—
 - (a) section 9(A1) of the LRA 1967 (transfer of a freehold house under the LRA 1967);

Status: This is the original version (as it was originally enacted).

- (b) section 14A(1) of the LRA 1967 (grant of an extended lease of a house under the LRA 1967);
 - (c) section 32(1) of the LRHUDA 1993 (collective enfranchisement of a building under the LRHUDA 1993);
 - (d) section 56(1)(b) of the LRHUDA 1993 (grant of a new lease of a flat under the LRHUDA 1993).
- (7) This section has effect subject to the following provisions (which provide for the adjustment of the price payable where property is in the area of a management scheme)
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- (a) section 19(10)(b) of the LRA 1967;
 - (b) section 70(12)(b) and (c) of the LRHUDA 1993.
- (8) In this Part—
- (a) “transfer of a freehold house under the LRA 1967” means the conveyance or transfer of the freehold of a house and any other premises under Part 1 of the LRA 1967;
 - (b) “grant of an extended lease of a house under the LRA 1967” means the grant of an extended lease of a house and any other premises under Part 1 of the LRA 1967;
 - (c) “collective enfranchisement of a building under the LRHUDA 1993” means the acquisition by a nominee purchaser of a freehold and any other interests under Chapter 1 of Part 1 of the LRHUDA 1993;
 - (d) “grant of a new lease of a flat under the LRHUDA 1993” means the grant of a new lease under Chapter 2 of Part 1 of the LRHUDA 1993.