



AN BILLE UM THIARNAI TALUN AGUS TIONONTAI
(LEASANNA FRITHDHILSE), 1956.
LANDLORD AND TENANT (REVERSIONARY LEASES)
BILL, 1956.

EXPLANATORY MEMORANDUM.

1. The object of the Bill is to give effect to the recommendations in the Conroy Commission's Report on Reversionary Leases under the Landlord and Tenant Acts.* Accordingly, it proposes to repeal and to re-enact, with amendments, the existing statutory provisions dealing with reversionary leases, i.e. Part V of the Landlord and Tenant Act, 1931, as amended in 1943.

2. Part V of the 1931 Act gave to persons holding under certain long leases a right to obtain a reversionary (renewal) lease when their leases expire on terms which, in default of agreement, are fixed by the Court in accordance with section 48 of the 1931 Act, the main provisions of which are that the reversionary lease should be for a term of 99 years at a rent equal to one-fourth of the "gross rent", i.e. of the full open-market rent.

3. The main changes proposed by the Bill are :

- (a) the rent to be reserved by a reversionary lease is to be one-sixth of the gross rent instead of the present fraction of one-fourth (*section 17 (4) of the Bill*);
- (b) the right to obtain a reversionary lease is being extended to certain leaseholders (*section 2* (which extends the definition of "improvement") and *sections 4 (5), 5, 7 (2) (c), 7 (2) (d), 9, 13, 18*);
- (c) provision is being made for payment of compensation to a lessee whose claim to a reversionary lease is defeated on certain grounds, e.g., that the grant of a reversionary lease would not be consistent with good estate management (*section 15*).

Department of Justice.

November, 1956.

* Pr. 2532.

