Pubs Code Adjudicator

FACTSHEET NUMBER 5

Market Rent Only Event: Renewal

JULY 2016

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MARKET RENT ONLY EVENT: RENEWAL

OVERVIEW

1. Market Rent Only (MRO) is the right of a tied-pub tenant to go free of tie.

2. There are four types of event which entitle a tied tenant to request to go free-of-tie – MRO events.

3. One of these MRO events is in connection with the renewal of a tied agreement.

DETAILED FACTSHEET

1. There are four types of event which entitle a tied pub tenant (TPT) to request a Market Rent Only (MRO) option from their pub-owning business (POB). One of these is where the TPT requests it in connection with the renewal (within the meaning of the Code) of their tied agreement.

2. What is the MRO event?

2.1. In relation to a renewal, the MRO event occurs when the tenancy is renewed[1].

2.2. Renewal occurs either:

- where the TPT's tenancy is protected under the Landlord and Tenant Act 1954 (LTA):
  - On the day on which the TPT receives the POB's section 25(1) LTA notice to terminate the tenancy; or
  - On the day on which the POB receives the TPT's request for a new tenancy under section 26 LTA;[2]

or

- where the tenancy is not protected under the LTA, renewal occurs on the first day on which the tenancy agreement itself may be renewed (under the terms of the tenancy)[3].

[1] See regulation 26(1) of the Code
[2] see regulation 26(2) of the Code
[3] See regulation 26(3) of the Code