

These notes refer to the Commonhold and Leasehold Reform Act 2002 (c.15) which received Royal Assent on 1st May 2002

COMMONHOLD AND LEASEHOLD REFORM ACT 2002

EXPLANATORY NOTES

COMMENTARY ON THE SECTIONS: PART 1

Qualifying rules

Section 139: Reduction of qualifying period as tenant etc

232. *Section 139* amends section 1 of the 1967 Act. It introduces a requirement for the leaseholder to have held his or her lease for a least two years before exercising the right to enfranchise or the right to an extended lease. It also excludes leaseholders from these rights if their tenancy of the house was a business tenancy *unless* they could pass a residence test. Business tenants are required to have occupied the house as their only or main residence for the last two years or periods amounting to at least two years in the last ten in order to obtain the right to enfranchise and the right to extend their leases. *Subsection (2)* provides that a head lessee of a house which has been converted into flats and let to qualifying tenants cannot exercise the right to enfranchise unless they can satisfy a similar residence condition.
233. This section also brings sections 9(3)(b) and 23(2)(b) of the 1967 Act into line with sections 13(9) and 42(7) of the 1993 Act. Where the leaseholder of a house withdraws his notice of their desire to enfranchise, he will be prohibited from issuing a fresh notice for twelve months (as opposed to three years).