



Commonhold and Leasehold Reform Act 2002

2002 CHAPTER 15

PART 1

COMMONHOLD

Effect of registration

7 Registration without unit-holders

- (1) This section applies where—
 - (a) a freehold estate in land is registered as a freehold estate in commonhold land in pursuance of an application under section 2, and
 - (b) the application is not accompanied by a statement under section 9(1)(b).
- (2) On registration—
 - (a) the applicant shall continue to be registered as the proprietor of the freehold estate in the commonhold land, and
 - (b) the rights and duties conferred and imposed by the commonhold community statement shall not come into force (subject to section 8(2)(b)).
- (3) Where after registration a person other than the applicant becomes entitled to be registered as the proprietor of the freehold estate in one or more, but not all, of the commonhold units—
 - (a) the commonhold association shall be entitled to be registered as the proprietor of the freehold estate in the common parts,
 - (b) the Registrar shall register the commonhold association in accordance with paragraph (a) (without an application being made),
 - (c) the rights and duties conferred and imposed by the commonhold community statement shall come into force, and

Changes to legislation: There are currently no known outstanding effects for the Commonhold and Leasehold Reform Act 2002, Cross Heading: Effect of registration. (See end of Document for details)

- (d) any lease of the whole or part of the commonhold land shall be extinguished by virtue of this section.
- (4) For the purpose of subsection (3)(d) “lease” means a lease which—
 - (a) is granted for any term, and
 - (b) is granted before the commonhold association becomes entitled to be registered as the proprietor of the freehold estate in the common parts.

8 Transitional period

- (1) In this Part “transitional period” means the period between registration of the freehold estate in land as a freehold estate in commonhold land and the event mentioned in section 7(3).
- (2) Regulations may provide that during a transitional period a relevant provision—
 - (a) shall not have effect, or
 - (b) shall have effect with specified modifications.
- (3) In subsection (2) “relevant provision” means a provision made—
 - (a) by or by virtue of this Part,
 - (b) by a commonhold community statement, or
 - (c) by the [^{F1}articles] of the commonhold association.
- (4) The Registrar shall arrange for the freehold estate in land to cease to be registered as a freehold estate in commonhold land if the registered proprietor makes an application to the Registrar under this subsection during the transitional period.
- (5) The provisions about consent made by or under sections 2 and 3 and Schedule 1 shall apply in relation to an application under subsection (4) as they apply in relation to an application under section 2.
- (6) A reference in this Part to a commonhold association exercising functions in relation to commonhold land includes a reference to a case where a commonhold association would exercise functions in relation to commonhold land but for the fact that the time in question falls in a transitional period.

Textual Amendments

F1 Words in s. 8(3)(c) substituted (1.10.2009) by [The Companies Act 2006 \(Consequential Amendments, Transitional Provisions and Savings\) Order 2009 \(S.I. 2009/1941\)](#), **Sch. 1 para. 194(4)** (with art. 10)

9 Registration with unit-holders

- (1) This section applies in relation to a freehold estate in commonhold land if—
 - (a) it is registered as a freehold estate in commonhold land in pursuance of an application under section 2, and
 - (b) the application is accompanied by a statement by the applicant requesting that this section should apply.
- (2) A statement under subsection (1)(b) must include a list of the commonhold units giving in relation to each one the prescribed details of the proposed initial unit-holder or joint unit-holders.

- (3) On registration—
- (a) the commonhold association shall be entitled to be registered as the proprietor of the freehold estate in the common parts,
 - (b) a person specified by virtue of subsection (2) as the initial unit-holder of a commonhold unit shall be entitled to be registered as the proprietor of the freehold estate in the unit,
 - (c) a person specified by virtue of subsection (2) as an initial joint unit-holder of a commonhold unit shall be entitled to be registered as one of the proprietors of the freehold estate in the unit,
 - (d) the Registrar shall make entries in the register to reflect paragraphs (a) to (c) (without applications being made),
 - (e) the rights and duties conferred and imposed by the commonhold community statement shall come into force, and
 - (f) any lease of the whole or part of the commonhold land shall be extinguished by virtue of this section.
- (4) For the purpose of subsection (3)(f) “lease” means a lease which—
- (a) is granted for any term, and
 - (b) is granted before the commonhold association becomes entitled to be registered as the proprietor of the freehold estate in the common parts.

10 Extinguished lease: liability

- (1) This section applies where—
- (a) a lease is extinguished by virtue of section 7(3)(d) or 9(3)(f), and
 - (b) the consent of the holder of that lease was not among the consents required by section 3 in respect of the application under section 2 for the land to become commonhold land.
- (2) If the holder of a lease superior to the extinguished lease gave consent under section 3, he shall be liable for loss suffered by the holder of the extinguished lease.
- (3) If the holders of a number of leases would be liable under subsection (2), liability shall attach only to the person whose lease was most proximate to the extinguished lease.
- (4) If no person is liable under subsection (2), the person who gave consent under section 3 as the holder of the freehold estate out of which the extinguished lease was granted shall be liable for loss suffered by the holder of the extinguished lease.

Changes to legislation:

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