

2004 No. []

COMMONHOLD, ENGLAND AND WALES

The Commonhold Regulations 2004

Made - - - -

Laid before Parliament

Coming into force in accordance with regulation 1(1)

The Lord Chancellor, in exercise of the powers conferred upon him by sections 3, 9(2), 11(3), 13, 17(1), 19(1), 21(2), 24(6), 31(2), 32(1), 37(1), 45(2), 51(3), 57(3), 58(5) and paragraphs 2 and 16 of Schedule 3 to the Commonhold and Leasehold Reform Act 2002^(a), makes the following Regulations:

PART I

GENERAL

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Commonhold Regulations 2004 and shall come into force on the day on which section 2 of the Act comes into force.

(2) In these Regulations a section referred to by number alone means the section so numbered in the Act and a Schedule referred to by number alone means the Schedule so numbered in these Regulations.

(3) In these Regulations—

- (a) “the Act” means the Commonhold and Leasehold Reform Act 2002; and
- (b) “the Rules” means the Commonhold (Land Registration) Rules 2004^(b) and a Form referred to by letters alone or by letters and numbers means the Form so designated in Schedule 1 to the Rules.

Joint unit-holders

2.—(1) In the application of the following provisions to a commonhold unit with joint unit-holders a reference to a unit-holder is a reference to the joint unit-holders together—

- (a) regulations 10(2), 18(2)(a) and 18(3); and
- (b) paragraphs 4.8.5 to 4.8.9 in Schedule 3.

(2) In the application of the following provisions to a commonhold unit with joint unit-holders a reference to a unit-holder includes a reference to each joint unit-holder and to the joint unit-holders together—

^(a) 2002 c.15.
^(b) S.I. 2004/

- (a) regulations 11(1) and 18(2)(b);
 - (b) articles 4(d) and 75 in Schedule 2; and
 - (c) all provisions in Schedule 3 except paragraphs 4.8.5 to 4.8.9.
- (3) In section 13(2)—
- (a) omit paragraphs (a), (c), (g) and (h);
 - (b) in paragraph (b) omit “and (3)”; and
 - (c) in paragraph (f) after “section 35(1)(b),” insert “and”.
- (4) In section 13(3)—
- (a) after paragraph (a) insert—
 - “(aa) section 14(3),
 - (ab) section 15(3),”;
 - (b) after paragraph (b) insert—
 - “(ba) section 19(2) and (3),”; and
 - (c) after paragraph (f) insert—
 - “(fa) section 38(1),
 - (fb) section 39(2),”.

PART II

REGISTRATION

Consents required prior to the creation of a commonhold additional to those required by section 3(1)(a) to (c)

3.—(1) An application under section 2 may not be made in respect of a freehold estate in land without the consent of anyone who is—

- (a) the estate owner of any unregistered freehold estate in the whole or part of the land;
- (b) the estate owner of any unregistered leasehold estate in the whole or part of the land granted for a term of more than 21 years;
- (c) the owner of any mortgage, charge or lien for securing money or money’s worth over the whole or part of any unregistered land included in the application; or
- (d) subject to paragraph (2), the holder of a lease granted for a term of not more than 21 years which will be extinguished by virtue of section 7(3)(d) or 9(3)(f).

(2) An application under section 2 may be made without the consent of a person who would otherwise be required to consent by virtue of paragraph (1)(d) if—

- (a) the person is entitled to the grant of a term of years absolute —
 - (i) of the same premises as are comprised in the extinguished lease;
 - (ii) on the same terms as the extinguished lease, except to the extent necessary to comply with the Act and these Regulations and excluding any terms that are spent;
 - (iii) at the same rent as the rent payable under, and including the same provisions for rent review as were included in, the extinguished lease as at the date on which it will be extinguished;
 - (iv) for a term equivalent to the unexpired term of the lease which will be extinguished; and
 - (v) to take effect immediately after the lease is extinguished by virtue of section 7(3)(d) or 9(3)(f); and

- (b) before the application under section 2 is made, the person's entitlement to the grant of a term of years absolute has been protected by a notice in the land register to the freehold title(s) for the land in the application or, in the case of unregistered land, by an entry in the land charges register in the name of the estate owner of the freehold title.

Details of consent

- 4.—(1) Consent to an application under—
 - (a) section 2 must be given in Form CON 1; and
 - (b) section 8(4) must be given in Form CON 2.
- (2) Subject to paragraphs (3), (4) and (7), consent is binding on a person who gives consent or who is deemed to have given consent.
- (3) Consent may be given subject to conditions.
- (4) Subject to any condition imposing a shorter period, consent will lapse if no application is made within a period of 12 months beginning with the date on which consent was given.
- (5) Consent is deemed to have been given by—
 - (a) the person making the application where that person's consent would otherwise be required in accordance with section 3, but has not been expressly given; and
 - (b) a successor in title to a person who has given consent or who is deemed to have given consent.
- (6) Consent given for the purpose of one application has effect for the purpose of another application ("the new application") only where the new application is submitted—
 - (a) in place of a previous application which has been withdrawn by the applicant, or rejected or cancelled by the Registrar; and
 - (b) within a period of 12 months beginning with the date on which the consent was given.
- (7) Consent may be withdrawn at any time before the date on which any application is submitted to the Registrar.
- (8) In this regulation, "consent" means consent for the purposes of section 3.

Dispensing with a requirement for consent

- 5. The court may dispense with the requirement for consent to an application under section 2 if a person whose consent is required—
 - (a) cannot be identified after all reasonable efforts have been made to ascertain his identity;
 - (b) has been identified but cannot be traced after all reasonable efforts have been made to trace him; or
 - (c) has been sent the request for consent and all reasonable efforts have been made to obtain a response but he has not responded.

Statement under section 9(1)(b): Registration with unit-holders

- 6. A statement under section 9(1)(b) which accompanies an application under section 2 must, in relation to each commonhold unit, state—
 - (a) the full name of the proposed initial unit-holder or if there are proposed joint unit-holders the full name of each of them;
 - (b) the address for service of the proposed unit-holder or if there are proposed joint unit-holders the address for service of each of them;
 - (c) the unit number of the commonhold unit; and
 - (d) the postal address of the commonhold unit (if available).

Multiple site commonholds

7. For the purposes of an application under section 2 made jointly by two or more persons, each of whom is the registered freeholder of part of the land to which the application relates (“a part site”) section 11 is modified so that, in addition to complying with the requirements in section 11(3), in defining the extent of a commonhold unit, the commonhold community statement must provide for the extent of each commonhold unit to be situated wholly upon one part site, and not situated partly on one part site and partly on one or more other part sites.

PART III COMMONHOLD UNIT

Requirements of a plan defining the extent of a commonhold unit

8. A plan referred to in a commonhold community statement for the purposes of defining the extent of a commonhold unit must delineate the boundaries of the commonhold unit with any adjoining property.

Definition of a commonhold unit

9.—(1) In defining the extent of a commonhold unit a commonhold community statement—

- (a) may exclude, from the definition, the structure and exterior of a self-contained building, or of a self-contained part of a building, which only contains one commonhold unit or part of one commonhold unit; and
- (b) must exclude, from the definition, the structure and exterior of a self-contained building, or of a self-contained part of a building, in any other case.

(2) In this regulation—

“self-contained building” means a building which is structurally detached;

“self-contained part of a building” means a part of a building—

- (a) which constitutes a vertical division of the building;
- (b) the structure of which is such that it could be redeveloped independently of the rest of the building; and
- (c) in relation to which the relevant services provided for occupiers are provided independently of the relevant services provided for the occupiers of the rest of the building, or could be so provided without involving the carrying out of works likely to result in a significant interruption in the provision of any relevant services for occupiers of the rest of the building;

“relevant services” are services provided by the means of pipes, cables or other fixed installations; and

“structure and exterior” includes the relevant services in or to the building but does not include those which are within and exclusively to one commonhold unit.

Requirement to notify Registrar

10.—(1) This regulation applies to an amendment of a commonhold community statement which redefines the extent of a commonhold unit over which there is a registered charge.

(2) The unit-holder of a commonhold unit over which there is a registered charge must give notice of the amendment to the Registrar in Form COE.

(3) On receipt of such notification the Registrar must alter the register to reflect the application of section 24(4) or (5).

Leasing of a residential commonhold unit

11.—(1) A term of years absolute in a residential commonhold unit or part only of a residential commonhold unit must not—

- (a) be granted for a premium;
- (b) subject to paragraph (2), be granted for a term longer than 7 years;
- (c) be granted under an option or agreement if—
 - (i) the person to take the new term of years absolute has an existing terms of years absolute of the premises to be let;
 - (ii) the new term when added to the existing term will be more than 7 years; and
 - (iii) the option or agreement was entered into before or at the same time as the existing term of years absolute;
- (d) contain an option or agreement to renew the term of years absolute which confers on the lessee or on the lessor an option or agreement for renewal for a further term which, together with the original term, amounts to more than 7 years;
- (e) contain an option or agreement to extend the term beyond 7 years; or
- (f) contain a provision requiring the lessee to make payments to the commonhold association in discharge of payments which are due, in accordance with the commonhold community statement, to be made by the unit-holder.

(2) A term of years absolute in a residential commonhold unit or part only of a residential commonhold unit may be granted for a term of not more than 21 years to the holder of a lease which has been extinguished by virtue of section 7(3)(d) or 9(3)(f) if the term of years absolute—

- (a) is granted of the same premises as are comprised in the extinguished lease;
- (b) is granted on the same terms as the extinguished lease, except to the extent necessary to comply with the Act and these Regulations and excluding any terms that are spent;
- (c) is granted at the same rent as the rent payable under, and including the same provisions for rent review as were included in, the extinguished lease as at the date on which it was extinguished;
- (d) is granted for a term equivalent to the unexpired term of the lease immediately before it was extinguished or, if the unexpired term of the lease immediately before it was extinguished is more than 21 years, for a term of 21 years;
- (e) takes effect immediately after the lease was extinguished; and
- (f) does not include any option or agreement which—
 - (i) may create a term or an extension to a term which, together with the term of the term of years absolute, would amount to more than 21 years; or
 - (ii) may result in the grant of a term of years absolute containing an option or agreement to extend the term.

PART IV

COMMONHOLD ASSOCIATION

The name of the commonhold association

12.—(1) The name by which a commonhold association is registered under the Companies Act 1985^(a) must end with ‘commonhold association limited’ or, if the memorandum of association states that the commonhold association’s registered office is to be situated in Wales, those words or the Welsh equivalent (‘Cymdeithas Cydradd-Ddaliad Cyfyngedig’).

^(a) 1985, c.6.

(2) The name by which a company other than a commonhold association is registered may not end with ‘commonhold association limited’ or the Welsh equivalent ‘Cymdeithas Cydradd-Ddaliad Cyfyngedig’.

(3) In this regulation references to the words “limited” and “cyfyngedig” include the abbreviations “ltd.” and “cyf.”.

Memorandum of association

13.—(1) The memorandum of association of a commonhold association must be in the form in Schedule 1 (memorandum of association) or a form to the same effect.

(2) The memorandum of association of a commonhold association must contain all the provisions contained in the form in Schedule 1 and each provision in that Schedule will have effect for a commonhold association whether or not it is adopted under paragraph 2(2) of Schedule 3 to the Act.

(3) In its memorandum of association, a commonhold association must—

- (a) include the name of the commonhold association on the front page and in paragraph 1;
- (b) omit “England and Wales” or “Wales” from paragraph 2; and
- (c) include the name of the commonhold in paragraph 3.

(4) A commonhold association may include additional provisions in its memorandum of association immediately after the provision which appears as paragraph 5 in Schedule 1 where the additional provisions are preceded by a heading which must include “additional provision specific to this commonhold association” and each new provision must be given a number.

Articles of association

14.—(1) The articles of association of a commonhold association must be in the form in Schedule 2 (articles of association) or a form to the same effect.

(2) Subject to the following paragraphs, the articles of association of a commonhold association must contain all the provisions in the form in Schedule 2 and each provision in that Schedule will have effect for a commonhold association whether or not it is adopted under paragraph 2(2) of Schedule 3 to the Act.

(3) In its articles of association a commonhold must include the name of the commonhold association on the front page.

(4) In its articles of association a commonhold association may substitute—

- (a) any time period for the time periods in articles 7, 18 and 48(f) except that the time period may not be reduced below the time periods mentioned in those articles;
- (b) any number of meetings for the number of meetings in article 48(f) except that the number may not be reduced below three;
- (c) any figure for the figures in article 13 except that the figure may not be reduced below the figures mentioned in that article and different provision may be made for different purposes; and
- (d) a time or date for “at any time” in article 36.

(5) A commonhold association may omit “Failing that it may be delivered at the meeting to the chairman, secretary or to any director.” from article 36 of its articles of association.

(6) A commonhold association may include additional provisions in its articles of association where each additional provision is immediately preceded by a heading which must include “additional provision specific to this commonhold association” and is identified with the numeral of the immediately preceding article followed by a capital letter, such letters to be allocated in alphabetical order in respect of each number.

(7) Where the articles of association of a commonhold association contain provisions for the appointment of alternate directors, article 38 is to have effect for a commonhold association with “(other than alternate directors)” inserted after “the number of directors”.

(8) Where the commonhold community statement gives the developer the right to appoint and remove directors the following provisions have effect for a commonhold association whether or not they are adopted under paragraph 2(2) of Schedule 3 to the Act—

- (a) during the transitional period the developer may appoint up to two directors in addition to any directors appointed by the subscribers, and may remove or replace any director so appointed;
- (b) after the end of the transitional period and for so long as the developer is the unit-holder of more than one quarter of the total number of commonhold units in the commonhold, he may appoint up to one quarter of the directors of the commonhold association, and may remove or replace any director so appointed;
- (c) a director appointed by the developer pursuant to paragraph (a) or (b) is known as a “developer’s director”;
- (d) any appointment or removal of a developer’s director made pursuant to paragraph (a) or (b) must be by notice in writing signed by or on behalf of the developer and will take effect immediately it is received at the office of the commonhold association or by the secretary, or as and from the date specified in the notice (if later);
- (e) if at any time the commonhold association resolves to specify or reduce the maximum number of directors, and as a consequence the number of developer’s directors exceeds the number permitted under paragraph (b), the developer must immediately reduce the number of developer’s directors accordingly and where such reduction has not been effected by the start of the next directors’ meeting, the longest in office of the developer’s directors must cease to hold office immediately so as to achieve the required reduction in numbers;
- (f) if the developer ceases to be the unit-holder of more than one quarter of the total number of units in the commonhold, he may no longer appoint, replace or remove a director and any developer’s directors previously appointed by him under this article will cease to hold office immediately;
- (g) a developer’s director who is removed from office or who ceases to hold office under this article will not have any claim against the commonhold association in respect of such removal from, or cessation to hold, office;
- (h) at any time at which the developer is entitled to exercise the power to appoint and remove developer’s directors, the developer is not entitled to vote upon a resolution fixing the number of directors of the commonhold association, or upon a resolution for the appointment or removal from office of any director not appointed by him, or upon any resolution concerning the remuneration of any director not appointed by him;
- (i) a developer’s director may provide information to the developer that he receives by virtue of his being a director; and
- (j) the provisions in articles 40, 41 and 54 do not apply to a developer’s director.

(9) Where the provisions in paragraph (8) have effect for a commonhold association—

- (a) articles 45 and 46 are to have effect for a commonhold association but with “(other than a vacancy in respect of a developer’s director)” inserted after “fill a vacancy”; and
- (b) article 61 is to have effect for a commonhold association but with “At least one of the persons present at the meeting must be a director other than a developer’s director.” inserted at the end.

(10) In this regulation an article referred to by number alone means the article so numbered in Schedule 2.

Commonhold community statement

15.—(1) The commonhold community statement must be in the form in Schedule 3 (commonhold community statement) or a form to the same effect.

(2) The commonhold community statement must contain all the provisions contained in the form in Schedule 3 and will be treated as including those provisions.

(3) The commonhold community statement must include the name of the commonhold on the front page and signature page and must include the information relevant to the commonhold in the paragraphs in the Annexes.

(4) The commonhold community statement must be signed at the end in the following form—

(a) on application for registration under section 2—

“Signed [by] [on behalf of] the applicant:

Name: *(please print)*

Title:”;

or

(b) where an amended commonhold community statement is registered in accordance with section 33—

“Signed [by] [on behalf of] [the commonhold association] [the developer]:

Name: *(please print)*

Title:”

(5) The commonhold community statement must include information relevant to the commonhold in—

(a) paragraph 2 of Annex 3 if the directors of the commonhold association have established funds to finance the repair and maintenance of the common parts or commonhold units; and

(b) paragraph 5 of Annex 4 if there are other risks insured in addition to fire.

(6) The commonhold community statement is treated as including “0 per cent.” in paragraph 1 of Annex 4 unless different provision is made in its place.

(7) Where, by virtue of regulation 9(1)(b), in defining the extent of a commonhold unit, the commonhold community statement excludes the structure and exterior of a self-contained building, or of a self-contained part of a building, the commonhold community statement is treated as including provision which imposes a duty on the commonhold association to insure the whole of the self-contained building, or self-contained part of the building.

(8) Subject to paragraphs (9) to (12), the commonhold community statement may include further definitions and may include further numbered provisions relevant to the commonhold at the end of a Part or a Section or in an Annex.

(9) Where further definitions are included in the commonhold community statement each definition must be inserted in alphabetical order into paragraph 1.4.5 in the commonhold community statement.

(10) Where further provisions are included in the commonhold community statement which confer rights on the developer—

(a) the provisions must be inserted in an Annex headed “DEVELOPMENT RIGHTS”, such Annex must be numbered and be the last Annex in the commonhold community statement and a reference to its heading must be included in the table of contents in the commonhold community statement;

(b) a paragraph containing “Annex [] specifies the rights of the developer which are designed to permit him to undertake development business or to facilitate his undertaking of development business.” must be inserted in Section 1.3 in the commonhold community statement with the Annex number inserted in place of the brackets; and

(c) paragraph 4.8.14 in the commonhold community statement is treated as including “; or to remove any surrendered development rights” at the end.

(11) Where any other provisions are included in the commonhold community statement in a Part or Section—

- (a) each additional provision must be inserted in numerical order continuing the numbers within the relevant Part or Section;
- (b) each additional provision must be immediately preceded by a heading which must include “additional provision specific to this commonhold” in the relevant Part or Section; and
- (c) a reference to the heading must be included in the table of contents in the commonhold community statement.

(12) Where any other provisions are included in the commonhold community statement in an Annex—

- (a) a heading which must include “ADDITIONAL PROVISIONS SPECIFIC TO THIS COMMONHOLD” must be inserted at the end of Part 4 followed by a numbered paragraph which reads “Additional provisions are set out in Annex” followed by the number given to the Annex by the commonhold association;
- (b) a paragraph must be inserted in Section 1.3 in the commonhold community statement giving the number of the Annex and details of its contents; and
- (c) a reference to its heading must be included in the table of contents in the commonhold community statement.

(13) In this regulation “commonhold community statement” means the commonhold community statement of a commonhold and a reference to a Part, Section or Annex means a Part, Section or Annex in the commonhold community statement.

Forms

16. The Forms contained in Schedule 4 (forms) or forms to the same effect must be used in accordance with the commonhold community statement of a commonhold.

PART V

OPERATION OF A COMMONHOLD

Enforcement

17. Jurisdiction is conferred on the court to deal with the exercise or enforcement of a right conferred, or duty imposed, by or by virtue of—

- (a) a commonhold community statement;
- (b) these Regulations; or
- (c) Part 1 of the Act.

Development Rights

18.—(1) The rights (if any) conferred on the developer in a commonhold community statement are restricted or regulated in accordance with the following paragraphs.

(2) The developer must not exercise development rights in such manner as to interfere unreasonably with—

- (a) the enjoyment by each unit-holder of the freehold estate in his unit; and
- (b) the exercise by any unit-holder or tenant of his rights under the commonhold community statement.

(3) The developer may not remove land from the commonhold that has been transferred to a unit-holder unless the unit-holder consents in writing before the land is removed.

(4) Any damage to the common parts or a commonhold unit caused by the developer in the course of undertaking development business must be put right by the developer as soon as

reasonably practicable taking into account the future works required to complete the development and the degree of interference caused by the damage.

(5) The developer must not exercise development rights if the works for which the development rights were conferred have been completed, save that any rights permitting or facilitating the undertaking of development business of the type referred to in paragraph 3 of Schedule 4 to the Act may be exercised for such further period as the developer continues to undertake that type of development business in relation to the whole or, as the case may be, the relevant part, of the commonhold.

(6) In this regulation “developer” includes a person acting on his authority.

PART VI TERMINATION

Termination

19.—(1) The liquidator must, in accordance with section 45(2), apply to the court for an order determining—

- (a) the terms and conditions on which a termination application may be made; and
- (b) the terms of the termination statement to accompany a termination application within the period of 3 months beginning with the date on which the liquidator was appointed.

(2) An application under section 51(1) must be accompanied by the certificate of incorporation of the successor commonhold association given in accordance with section 13 of the Companies Act 1985 and any altered certificates of incorporation issued under section 28 of that Act.

Signed by authority of the Lord Chancellor

Dated

Parliamentary Under Secretary of State
Department for Constitutional Affairs

SCHEDULE 1

Regulation 13

Memorandum of association

THE COMPANIES ACTS 1985 & 1989
COMPANY LIMITED BY GUARANTEE AND NOT HAVING A
SHARE CAPITAL

MEMORANDUM OF ASSOCIATION

OF

[]

1. The name of the company (referred to in this document as "the commonhold association") is [].
2. The registered office of the commonhold association is to be situated in [England and Wales] [Wales].
3. The object of the commonhold association is to exercise the functions of a commonhold association in relation to land known as [] commonhold in accordance with the commonhold community statement of that commonhold, as amended from time to time, and any provision made by or by virtue of Part 1 of the Commonhold and Leasehold Reform Act 2002 and the doing of all such things as are incidental or conducive to the attainment of that object.
4. The liability of the members is limited.
5. Without prejudice to any further liability which he may have under or arising out the commonhold community statement, every member of the commonhold association undertakes to contribute such amount as may be required, not exceeding £1, to the assets of the commonhold association if it should be wound up while he is a member or within one year after he ceases to be a member, for payment of the debts and liabilities of the commonhold association contracted before he ceases to be a member, and of the costs, charges, and expenses of winding up the commonhold association, and for the adjustment of the rights of the contributories among themselves.

We, the subscribers to this memorandum of association, wish to be formed into a company pursuant to this memorandum.

Names and Addresses of subscribers (or subscriber)

Dated

Witness to the above signatures

SCHEDULE 2

Regulation 14

Articles of association

THE COMPANIES ACTS 1985 & 1989

**COMPANY LIMITED BY GUARANTEE AND NOT HAVING A
SHARE CAPITAL**

ARTICLES OF ASSOCIATION

OF

[]

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INTERPRETATION

1. In these articles—

“the Act” means the Commonhold and Leasehold Reform Act 2002;

“clear days” in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

“the commonhold” means the land in respect of which the commonhold community statement is registered;

“the commonhold association” means the commonhold association named above;

“the commonhold community statement” means the document held by Land Registry which makes provision for the rights and duties of the commonhold association and the unit-holders and defines the extent of each commonhold unit;

“communication” includes a communication comprising sounds or images or both and a communication effecting a payment;

"the Companies Act" means the Companies Act 1985 or any statutory modification or re-enactment of it for the time being in force;

"the developer" means the person who makes an application to register a freehold estate in land as a freehold estate in commonhold land, and his successor in title who is treated as the developer, and who carries on development business on the commonhold land;

“electronic communication” means a communication transmitted (whether from one person to another, from one device to another or from a person to a device or vice versa)—

- (a) by means of a telecommunication system; or
- (b) by other means but while in an electronic form;

“member” means a person whose name is entered as a member in the register of members of the commonhold association but excludes any person who has ceased to be a unit-holder or joint unit-holder or who has resigned as a member;

“pre-commonhold period” means the period beginning with incorporation of a commonhold association and ending when land specified in its memorandum becomes commonhold land;

"secretary" means the secretary of the commonhold association or any other person appointed to perform the duties of the secretary of the commonhold association, including a joint, assistant or deputy secretary;

“subscribers” means the first members of the commonhold association;

“telecommunications system” means a system for the conveyance, through the agency of electric, magnetic, electro-magnetic, electro-chemical or electro-mechanical energy, of—

- (a) speech, music and other sounds;
- (b) visual images;
- (c) signals serving for the impartation (whether as between persons and persons, things and things or persons and things) of any matter otherwise than in the form of sounds or visual images; or
- (d) signals serving for the actuation or control of machinery or apparatus;

“transitional period” means the period between registration of the freehold estate in land as a freehold estate in commonhold land under section 2 of the Act and the event mentioned in section 7(3) of the Act;

"the United Kingdom" means Great Britain and Northern Ireland;

“unit-holder” means a person entitled to be registered as the proprietor of the freehold estate in a commonhold unit (whether or not he is registered).

Unless the context otherwise requires, words and expressions contained in these articles bear the same meaning as in the Act, including any statutory modification or re-enactment of it for the time

being in force, or in the Companies Act and words in the singular include the plural and words in the plural include the singular.

MEMBERS

Membership

2. The persons who are entitled to be entered in the register of members of the commonhold association are—
 - (a) in the pre-commonhold period, the subscribers to the memorandum of association of the commonhold association;
 - (b) during the transitional period, the subscribers to the memorandum of association of the commonhold association and a person who for the time being is the developer in respect of all or part of the commonhold;
 - (c) on transfer of a commonhold unit; or, where a commonhold unit becomes commonhold land by registration with unit-holders under section 9 of the Act; a person who becomes the unit-holder; and
 - (d) on transfer of a commonhold unit; or, where a commonhold unit becomes commonhold land by registration with unit-holders under section 9 of the Act; and two or more persons become joint unit-holders of a commonhold unit; and—
 - (i) the joint unit-holders nominate, in writing to the commonhold association, one of themselves to be entered in the register of members, the person so nominated;
 - (ii) if no nomination is received by the commonhold association in accordance with sub-paragraph (i) within seven days beginning with the date on which the joint unit-holders are entitled to be registered as proprietors of the freehold estate in the commonhold unit, the person whose name appears first in the proprietorship register;
 - (iii) the court orders a joint unit-holder to be entered in the register of members in place of a person who is or who would be entitled to be registered under sub-paragraph (ii), the person so ordered by the court; or
 - (iv) the joint unit-holders nominate one of themselves to be entered in the register of members in place of the person previously entered by virtue of sub-paragraph (i), (iii) or this sub-paragraph, the person so nominated.

Register of members

3. The commonhold association must keep a register of members and enter in it—
 - (a) the name, address and unit number, where applicable, of each member and an address for correspondence (if different);
 - (b) the date on which the person was registered as a member; and
 - (c) the date at which the person ceased to be a member.

4. The commonhold association must enter the particulars of a person in the register of members of a commonhold association where the person is entitled to be entered in the register within fourteen days beginning with—
 - (a) in the pre-commonhold period, the date of incorporation of the commonhold association;
 - (b) in the transitional period, the date on which the developer notifies the commonhold association of his right to be registered;
 - (c) on registration with unit-holders, the date on which Land Registry gives notice that the registration of the land as commonhold land has been completed;
 - (d) on the transfer of a commonhold unit, the date on which the commonhold association receives notification, in writing, from the new unit-holder that the transfer has taken place;
 - (e) in the event that no nomination is received from joint unit-holders under article 2(d)(i)—
 - (i) the date on which the commonhold association becomes aware that the joint unit-holders are registered as the freehold proprietors in the commonhold unit; or
 - (ii) if the court orders a joint unit-holder to be entered in the register of members in place of a person who is or who would be entitled to be registered under paragraph (i), the date the commonhold association receives notice of the court order; or
 - (f) in the event that joint unit-holders nominate one of themselves to be entitled to be entered in the register of members in place of the person entered by virtue of paragraph (d), (e)(ii) or this paragraph, the date on which the commonhold association receives the nomination.

GENERAL MEETINGS

Annual general meetings

5. Subject to the provisions of the Companies Act, the commonhold association must hold an annual general meeting.

Convening meetings

6. The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Companies Act, must immediately proceed to convene a general meeting for a date not more than twenty-eight days after the date of the notice convening the meeting. If there are insufficient directors in the United Kingdom to call a general meeting, any director or any member of the commonhold association may call a general meeting.

NOTICE OF GENERAL MEETINGS

Period of notice

7. An annual general meeting or any general meeting called for the passing of a special resolution, a unanimous resolution, a termination-statement resolution, a winding-up resolution or a resolution appointing a person as a director must be called by at least twenty-one clear days' notice. All other general meetings must be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice of at least three clear days if it is so agreed—
 - (a) in the case of an annual general meeting, by all the members entitled to attend and vote at that meeting; and
 - (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote being a majority together holding at least ninety-five per cent. of the total voting rights at that meeting of all the members.

Contents of notice

8. The notice must specify the time and place of the meeting and in the case of an annual general meeting, must specify the meeting as an annual general meeting. The meeting should take place within the commonhold or at a similarly convenient location.

9. The notice must also include or be accompanied by a statement of the agenda of the business to be transacted at the meeting, the text of any resolution to be proposed (save that the text of ordinary resolutions need not be given) and a brief written explanation of them.

Entitlement to receive notice

10. The notice must be given to the members and the directors of the commonhold association; but if any person entitled to receive notice is not sent it or does not receive it, this does not invalidate the proceedings at the meeting if the failure to notify was accidental.

PROCEEDINGS AT GENERAL MEETINGS

Business to be transacted

11. Business must not be transacted at any general meeting unless details of it were included in the notice convening the meeting in accordance with article 9. In the event that the text of an ordinary resolution is given in the notice convening the meeting in accordance with article 9 a proposal to amend an ordinary resolution may, however, be voted upon if the terms of the proposed amendment were received by the commonhold association at its registered office, or at an address specified in the notice convening the meeting for the purpose of receiving electronic communications, before the time appointed for the meeting. The decision of the chairman as to the admissibility of any proposed amendment will be final and conclusive and does not invalidate any proceedings on the substantive resolution.

Order of business

12. At any general meeting, so far as practicable and subject to any contrary ordinary resolution of the meeting, any business arising from a requisition of members will be transacted before any other business and, if there is more than one requisition, the business arising from it will be transacted in the order in which the requisitions were received by the commonhold association.

Quorum

13. Business must not be transacted at any general meeting unless a quorum is present. The quorum for the meeting is one-fifth of the members of the commonhold association or two members of the commonhold association (whichever is the greater) present in person or by proxy.
14. If the relevant quorum is not present within half an hour after the time set for the meeting, or if during a meeting such a quorum ceases to be present, the meeting is adjourned to the same day in the next week, at the same time and place, or to another day, time and place as decided by the directors.

Chairman

15. The chairman, if any, of the board of directors or in his absence some other director or person nominated by the directors will preside as chairman of the meeting. If neither the chairman nor such other director (if any) is present within fifteen minutes after the time set for the meeting and willing to act, the directors present may elect one of themselves to be chairman or, if there is only one director present and willing to act, he will be chairman.
16. If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time set for the meeting, the members present and entitled to vote must choose one of themselves to be chairman.

Role of director

17. A director, despite not being a member, is entitled to attend, speak and propose (but, subject to article 23, not vote upon) a resolution at any general meeting.

Adjournment

18. The chairman may adjourn the meeting with the consent of any quorate meeting (and must if so required by the meeting), but no business is to be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. No notice is required of an adjourned meeting unless the meeting is adjourned for fourteen days or more, in which case at least seven clear days' notice must be given of the time and place of the adjourned meeting and the general nature of the business to be transacted.

Vote on a resolution and demand for a poll

19. A resolution put to the vote of a meeting will be decided on a show of hands unless, before or on the declaration of the result of the show of hands, a poll is demanded. A poll may be demanded—
- (a) by the chairman; or
 - (b) by at least two members having the right to vote at the meeting; or
 - (c) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting;
- and a demand by a person as proxy for a member is the same as a demand by the member.
20. Unless a poll is demanded, a declaration by the chairman that a resolution has been carried or lost on a show of hands, whether unanimously or by a particular majority, and an entry to that effect in the minutes of the meeting is conclusive evidence of the fact, without proof, of the number or proportion of the votes recorded in favour of or against the resolution.

Proceedings on a poll

21. The demand for a poll may be withdrawn before the poll is taken, but only with the consent of the chairman. The withdrawal of a demand for a poll does not invalidate the result of a show of hands declared before the demand for the poll was made.
22. A poll will be taken in such manner as the chairman directs, having particular regard to the convenience of members, and he may appoint scrutineers (who need not be members). The result of the poll will be announced at the meeting at which the poll takes place and is deemed to be the resolution of the meeting at which the poll was demanded.
23. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman is entitled to a casting vote in addition to any other vote he may have.
24. A poll demanded on the election of a chairman, or on a question of adjournment of a meeting, must be taken immediately. A poll demanded on any other question may be taken at such time as the chairman directs, having regard to the convenience of members, and not being more than

thirty days after the poll is demanded. The demand for a poll does not prevent the meeting dealing with any business other than the business being determined by poll. If a poll is demanded before the declaration of the result of a show of hands and the demand is withdrawn, the meeting will continue as if the demand had not been made.

25. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice must be given of the time and place at which the poll is to be taken.

Written resolutions

26. A resolution in writing signed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present is as effectual as if it had been passed at a general meeting convened and held and may consist of several instruments in similar form each signed by or on behalf of one or more members.

VOTES OF MEMBERS

Allocation of votes on show of hands

27. On a show of hands, every member who (being an individual) is present in person or (being a corporation) is present by an authorised representative, not being himself a member entitled to vote, has one vote.

Allocation of votes on a poll

28. On a poll—
- (a) during the pre-commonhold period or the transitional period, every member has one vote;
and
 - (b) at any other time, every member has the number of votes that are allocated in the commonhold community statement to him in respect of the commonhold unit of which he is the member and, where a member is a member in respect of more than one unit, the sum of the votes allocated to him in respect of those units.

Entitlement to vote – mental incapacity

29. A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver or other person authorised in that behalf appointed by that court, and any such receiver or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote may be deposited at the registered office, or at such other place as is specified in accordance with the articles for the deposit of an appointment of proxy, before the time appointed for the meeting or adjourned meeting at which the right to vote is to be exercised or such evidence may be presented to the directors at the meeting. In default the right to vote is not exercisable.

Entitlement to vote – receiver, administrator, trustee in bankruptcy, commissioner in sequestration or similar person

30. A receiver appointed by the court or by a mortgagee, an administrator, a trustee in bankruptcy, a commissioner in sequestration or similar person may vote in place of a member, whether on a show of hands or on a poll. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote may be deposited at the registered office, or at such other place as is specified in accordance with the articles for the deposit of appointments of proxy, before the time appointed for the meeting or adjourned meeting at which the right to vote is to be exercised or such evidence may be presented to the directors at the meeting. In default the right to vote is not exercisable.

Entitlement to vote – mortgagee in possession

31. A mortgagee who provides—

- a) a certificate confirming that possession has been taken of a commonhold unit; and
- b) an official copy of the charges register of the title to the commonhold unit showing it as the registered proprietor of the charge

is entitled to vote in place of a member, whether on a show of hands or on a poll. The person claiming to exercise the right to vote must deposit such evidence at the registered office, or at such other place as is specified in accordance with the articles for the deposit of appointments of

proxy, before the time appointed for the meeting or adjourned meeting at which the right to vote is to be exercised or such evidence may be presented to the directors at the meeting. In default the right to vote is not exercisable.

Objections to qualification of voter

32. Objections to the qualification of any voter may only be raised at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid. Any objection made in due time must be referred to the chairman whose decision is final and conclusive.

Votes on a poll in person or by proxy

33. On a poll votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion.

Form of appointment of proxy

34. The appointment of a proxy must be in writing, signed by or on behalf of the appointor and must be in the following form (or a form to the same effect or in any other form which the directors may approve in writing)—

“[Name of commonhold association]

I/We [], of [], being a member/members of the above-named commonhold association, appoint [] of [], or failing him, [] of [], as my/our proxy to vote in my/our name and on my/our behalf at the (annual) general meeting of the commonhold association to be held on [], and at any adjournment of it

Signed on []”

35. Where members are to be given the opportunity to instruct the proxy how he must act, the appointment of a proxy must be in the following form (or a form to the same effect or in any other form which the directors may approve in writing)—

“[Name of commonhold association]

I/We, [], of [], being a member/members of the above-named commonhold association, appoint [] of [], or failing him, [] of [], as my/our proxy to vote in my/our name and on my/our behalf at the (annual) general meeting of the commonhold association, to be held on [], and at any adjournment of it.

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No.1 for* against*

Resolution No.2 for* against*

* Delete as appropriate

Unless instructed otherwise, the proxy may vote as he thinks fit or abstain from voting.

Signed on []”

Notice of proxy

36. The appointment of a proxy and any authority under which it is signed or a copy of such authority properly certified notarially or approved in another way by the directors may—
- (a) in the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications—
 - (i) in the notice convening the meeting, or
 - (ii) in any form of appointment of proxy sent out by the commonhold association in relation to the meeting, or
 - (iii) in any invitation contained in an electronic communication to appoint a proxy issued by the commonhold association in relation to the meeting, be received at that address; or
 - (b) in any other case, be deposited at the registered office of the commonhold association or at such other place within the United Kingdom as is stated either in the notice convening the meeting or in any form of appointment of proxy sent out by the commonhold association in relation to the meeting;

at any time before the meeting or adjourned meeting, at which the person named in the appointment proposes to vote, is held. Failing that it may be delivered at the meeting to the chairman, secretary or to any director. The appointment of a proxy which is not deposited, received or delivered in accordance with this article is invalid.

Notice of determination of authority

37. A vote given or poll demanded by a proxy for a member, or by the authorised representative of a corporation remains valid despite the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the commonhold association at—

- (a) the registered office; or
- (b) at such other place at which the appointment of proxy was deposited; or
- (c) where the appointment of the proxy was contained in an electronic communication, at the address at which such appointment was received

before the start of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

NUMBER OF DIRECTORS

38. Unless otherwise determined by ordinary resolution, the number of directors is not subject to any maximum but must not be less than two.

APPOINTMENT AND RETIREMENT OF DIRECTORS

Qualification

39. A director need not be a member of the commonhold association.

Retirement by rotation

40. At the first annual general meeting after the end of the transitional period, all of the directors must retire from office. At every subsequent annual general meeting, one-third of the directors who are subject to retirement by rotation must retire. If the number of directors is not three or a

multiple of three, the number nearest to one-third must retire from office. If there is only one director who is subject to retirement by rotation, he must retire.

41. Subject to the provisions of the Companies Act, the directors to retire by rotation are those who have been in office longest since their last appointment or reappointment. Where there are directors who were appointed or re-appointed on the same day, those to retire must be determined by lot, unless the directors agree otherwise among themselves.
42. If the commonhold association, at the meeting at which a director retires by rotation, does not fill the vacancy, the retiring director, if willing to act, is deemed to have been re-appointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the director is put to the meeting and lost.

Appointment and re-appointment of directors at general meetings

43. No person other than a director retiring by rotation may be appointed or re-appointed as a director at any general meeting unless—
 - (a) he is recommended by the directors; or
 - (b) at least fourteen and not more than thirty-five clear days before the date appointed for the meeting, notice signed by a member qualified to vote at the meeting has been given to the commonhold association of the intention to propose that person for appointment or reappointment and stating the particulars which would be required to be included in the commonhold association's register of directors, if he were appointed or re-appointed, together with notice signed by that person of his willingness to be appointed or re-appointed.

Notice of proposed appointment

44. At least seven and not more than twenty-eight clear days before the date appointed for holding a general meeting notice must be given to all who are entitled to receive notice of the meeting of any person (other than a director retiring by rotation at the meeting) who is recommended by the directors for appointment or reappointment as a director at the meeting or in respect of whom notice has been given to the commonhold association of the intention to propose him at the meeting for appointment or reappointment as a director. The notice must give the particulars of

that person which would, if he were appointed or re-appointed, be required to be included in the commonhold association's register of directors.

Appointment by members

45. Subject to these articles, the commonhold association may by ordinary resolution appoint a person, who is willing to act, to be a director either to fill a vacancy or as an additional director and may also determine the rotation in which any additional directors are to retire.

Appointment by directors

46. The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed the number fixed by or in accordance with these articles as the maximum number of directors (if any). A director so appointed will hold office only until the next following annual general meeting and is not taken into account in determining the directors who are to retire by rotation at the meeting. If not re-appointed at such annual general meeting, he must vacate office at the end of the meeting.

Re-appointment following retirement at annual general meeting

47. Subject to these articles, a director who retires at an annual general meeting may, if willing to act, be re-appointed. If he is not re-appointed, he must hold office until the meeting appoints someone in his place, or if it does not do so, until the end of the meeting.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

48. The office of a director must be vacated if—

- (a) an ordinary resolution is passed by the members in favour of removing a director (where special notice of the resolution has been given in accordance with the Companies Act);
- (b) he ceases to be a director by virtue of any provision of the Companies Act or he becomes prohibited by law from being a director; or
- (c) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or

(d) he is, or may be, suffering from mental disorder and either:-

(i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or

(ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver or other person to exercise powers with respect to his property or affairs; or

(e) he resigns his office by notice to the commonhold association; or

(f) he is absent for more than three consecutive months from meetings of the directors held during that period or from three consecutive meetings (whichever is the greater) without permission from the directors and the directors resolve that his office be vacated.

49. Where there is only one or one remaining director of the commonhold association, an appointment of a new director must take place, before the director disqualified or being removed vacates his office.

POWERS OF DIRECTORS

50. Subject to the provisions of the Companies Act, the memorandum and the articles, and to any directions given by special resolution, the directors must manage the business of the commonhold association and may exercise all the powers of the commonhold association. No alteration of the memorandum or articles and no such direction invalidates any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this article are not limited by any special power given to the directors by the articles and the directors' powers may be exercised at a meeting at which a quorum is present.

51. The directors may, by power of attorney or otherwise, appoint any person to be the agent of the commonhold association for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

AGENTS

52. The directors have the power on behalf of the commonhold association to appoint and enter into contracts with managing agents of the commonhold on such terms as they think fit including a term providing for cancellation of the contract and return of records and monies paid. The directors remain bound to supervise the managing agent so appointed.

DELEGATION OF DIRECTORS' POWERS

53. Where an ordinary resolution is passed in favour, the directors may delegate any of their powers to any committee consisting of one or more directors, members of the commonhold association and others as they think fit, provided that the majority of the persons on any such committee from time to time are members of the commonhold association. They may also delegate to any managing director or any director holding any other executive office or any managing agent such of their powers as they consider desirable to be exercised by him. Any such delegation is subject to any provisions of the commonhold community statement, may be made subject to any conditions the directors may impose, may be made either collaterally with or to the exclusion of their own powers, and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more persons are governed by the articles regulating the proceedings of directors so far as they are capable of applying. A record must be kept giving details of any powers that have been delegated.

REMUNERATION OF DIRECTORS

54. Directors are entitled to such remuneration as the commonhold association may determine by ordinary resolution, where the directors are not members of the commonhold association, and by special resolution, where the directors are members of the commonhold association. Unless the resolution provides otherwise, the remuneration is deemed to accrue from day to day.

DIRECTORS' EXPENSES

55. The directors may be paid all travelling, hotel, and other expenses reasonably and properly incurred by them in connection with their attendance at meetings of directors or committees set up by the directors or general meetings or separate meetings of the members of the commonhold association or otherwise in connection with the discharge of their duties.

DIRECTORS' APPOINTMENTS AND INTERESTS

Executive appointments

56. Subject to the provisions of the Companies Act, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the commonhold association and may enter into an agreement or arrangement with any director for his employment by the commonhold association or for the provision by him of any services outside the scope of the ordinary duties of a director. Any appointment of a director to an executive office must terminate if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the commonhold association.

Directors' interests

57. Subject to the provisions of the Companies Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director—

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the commonhold association or in which the commonhold association is otherwise interested; and
- (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the commonhold association or in which the commonhold association is otherwise interested; and
- (c) is not, by reason of his office, accountable to the commonhold association for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement is liable to be avoided on the ground of any such interest or benefit.

58. For the purposes of article 57—

- (a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested is deemed to be a disclosure

that the director has an interest in any such transaction of the nature and extent so specified; and

- (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge will not be treated as an interest of his.

59. A commonhold association must keep a register of directors' interests and whenever it receives information from a director given in fulfilment of an obligation imposed on him by article 57, it is under obligation to enter in the register, against the director's name, the information received and the date of the entry.

PROCEEDINGS OF DIRECTORS

Regulation and notice of meetings

60. Subject to the provisions of these articles, the directors may regulate their proceedings, as they think fit. A director may, and the secretary at the request of a director must, call a meeting of the directors. It is not necessary to give notice of a meeting to a director who is absent from the United Kingdom unless he has given to the commonhold association an address to which notices may be sent using electronic communications. In such case the director is entitled to have notices given to him at that address. In all other cases, a notice calling a meeting of directors need not be in writing. Questions arising at a meeting will be decided by a majority of votes. In the case of an equality of votes, the chairman will have a second or casting vote.

Quorum

61. The quorum for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other greater number, is half of the number of appointed directors for the time being or two directors (whichever is the greater).

62. The continuing directors or a sole continuing director may act despite any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing director or directors may act only for the purpose of filling vacancies or of calling a general meeting.

Chairman

63. The directors may appoint one of their number to be the chairman of the board of directors and may at any time remove him from that office. Unless he is unwilling to do so, the director so appointed must preside at every meeting of directors at which he is present. But if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within fifteen minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.

Validity of acts

64. All acts done by a meeting of directors, or of a committee set up by the directors, or by a person acting as a director are valid even if it is discovered later that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote.

Written resolutions

65. A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee set up by the directors is as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee set up by the directors convened and held and may consist of several documents in similar form each signed by one or more directors.

Entitlement to vote – conflict of interest

66. A director must not vote at a meeting of directors or of a committee set up by the directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the commonhold association. For the purposes of this article, an interest of a person who is, for any purpose of the Companies Act (excluding any statutory modification of it not in force when this article becomes binding on the commonhold association), connected with a director is treated as an interest of the director.

67. A director must not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.
68. The commonhold association may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provisions of these articles prohibiting a director from voting at a meeting of directors or of a committee set up by the directors.
69. If a question arises at a meeting of directors or of a committee set up by the directors as to the right of a director to vote, the question may be referred to the chairman of the meeting before the end of the meeting, and his ruling in relation to any director other than himself must be final and conclusive.

SECRETARY

70. Subject to the provisions of the Companies Act, the secretary will be appointed by the directors for such terms, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

MINUTES

71. The directors must cause minutes to be made in books kept for the purpose—
- (a) of all appointments of officers made by the directors or by the developer; and
 - (b) of all proceedings at meetings of the commonhold association and of the directors, and of committees, including the names of the persons present at each such meeting, the date of the meeting and any action agreed at the meeting.

NO DISTRIBUTION OF PROFITS

72. Save in accordance with a termination statement or in a winding up, the commonhold association must not distribute its profits or assets, whether in cash or otherwise, to its members.

INSPECTION AND COPYING OF BOOKS AND RECORDS

73. In addition to, and without derogation from, any right conferred by statute, any member has the right, on reasonable notice and at a reasonable time and place, to inspect, and to be provided with a copy of, any book, minute, register, document, or accounting record of the commonhold association, upon payment of any reasonable charge for copying. Such rights are subject to any ordinary resolution of the commonhold association in general meeting, and, in the case of any book, minute, register, document, or accounting record which the directors reasonably consider contains confidential material, the disclosure of which would be contrary to the interests of the commonhold association or to another member, to the exclusion or excision of such confidential material (the fact of such exclusion or excision being disclosed to the member), and to any other reasonable conditions that the directors may impose.
74. Subject to any statutory requirement, all books, minutes, registers, documents, or accounting records of the commonhold association must be retained for a minimum period of three years.
75. Up-to-date copies of the commonhold community statement and the memorandum and articles of association must be kept at the registered office of the commonhold association and any unit-holder has the right, on reasonable notice and at a reasonable time and place, to inspect the commonhold community statement or the memorandum and articles of association.

NOTICES

76. Unless otherwise stated, any notice to be given under these articles must be in writing.
77. Any notice may be given—
- (a) personally;
 - (b) by leaving it at an address given to the commonhold association as an address for correspondence;
 - (c) by sending it by first class post in a prepaid envelope properly addressed to the member at an address given to the commonhold association as an address for correspondence; or
 - (d) where an electronic address has been provided as an address for correspondence, by electronic communication to that address in accordance with any terms or conditions as previously specified by the recipient.

78. Proof that an envelope containing a notice was properly addressed, prepaid and posted by first class post is conclusive evidence that it was given to a postal address. Electronic confirmation of receipt is conclusive evidence that a notice was given to an address.

79. A notice is deemed to be given, unless proved otherwise—

- (a) on the day it was handed to the recipient or left at the address for correspondence;
- (b) on the second day after it was posted to the recipient; or
- (c) on the day after it was transmitted by electronic communication.

INDEMNITY

80. Subject to the provisions of the Companies Act but without affecting any indemnity to which he may otherwise be entitled, every director or other officer of the commonhold association must be indemnified out of the assets of the commonhold association against any liability incurred by him in defending any proceedings, whether civil or criminal, alleging liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the commonhold association, and in which judgment is given in his favour, or in which he is acquitted, or in connection with any application in which relief is granted to him by the Court.

Signed by the subscribers to the memorandum of association of the commonhold association

Dated:

Witness to the above signature(s)

Commonhold community statement

COMMONHOLD AND LEASEHOLD REFORM ACT 2002

COMMONHOLD COMMUNITY STATEMENT

OF

[]

This document is important.

It creates legally binding rights and duties.

**It is recommended that anyone affected by it should take
appropriate advice.**

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PART 1: INTRODUCTION

1.1 COMMONHOLD COMMUNITY STATEMENT

- 1.1.1 This document is a commonhold community statement (“CCS”). It defines the commonhold units and the common parts. It also specifies the rights and duties of the unit-holders and the commonhold association, and the procedure to be followed to enforce them.
- 1.1.2 This CCS imposes obligations on a tenant of a commonhold unit and specifies the procedure to be followed by a tenant to enforce a duty imposed on the commonhold association, a unit-holder, or another tenant.
- 1.1.3 These rights and duties are in addition to any rights and duties that may exist under the general law.
- 1.1.4 The provisions of this CCS are subject to the Act and regulations made under it. In particular, regulations may provide that a CCS is to be treated as including specified provisions or as including provisions of a specified kind, for a specified purpose or about a specified matter.
- 1.1.5 A provision of this CCS has no effect to the extent that it is—
- (a) inconsistent with any provision made by or by virtue of the Act;
 - (b) inconsistent with anything which is treated as included in this CCS by regulations;
 - (c) inconsistent with the memorandum or articles of association; or
 - (d) prohibited by regulations.

1.2 THE COMMONHOLD AND COMMONHOLD ASSOCIATION

- 1.2.1 The name of the commonhold is in paragraph 1 of Annex 1.
- 1.2.2 The name and company number of the commonhold association are in paragraphs 2 and 3 of Annex 1.

1.3 STRUCTURE OF THIS DOCUMENT

- 1.3.1 This CCS is divided into numbered Parts and Annexes. Each of the Parts is divided into numbered Sections with numbered paragraphs. The Annexes are also divided into numbered paragraphs.
- 1.3.2 Part 1 contains general provisions. Annex 1 sets out the details of the commonhold and the commonhold association.
- 1.3.3 Part 2 and Annex 2 define the properties within the commonhold.
- 1.3.4 Part 3 and Annex 3 define the percentages allocated to each commonhold unit in respect of the commonhold assessment and any levy and the allocation of votes.
- 1.3.5 Part 4 and Annex 4 specify the rights and duties of the commonhold association and the unit-holders, the obligations imposed on tenants, and the procedures used for enforcement.

1.4 INTERPRETATION OF THIS DOCUMENT

- 1.4.1 In this CCS, references to a numbered Form are references to the Form so numbered in Schedule 4 to the Commonhold Regulations 2004. A requirement to use a numbered Form is satisfied by the use of a form to the same effect.
- 1.4.2 Unless otherwise stated, in the application of provisions in this CCS to a commonhold unit with joint unit-holders, a reference to a unit-holder is a reference to each joint unit-holder and to the joint unit-holders together.
- 1.4.3 Unless otherwise stated, in the application of provisions in this CCS, where two or more persons together hold a tenancy, a reference to a tenant is a reference to each tenant and to the tenants together.
- 1.4.4 Unless the contrary intention appears, words—
- (a) referring to one gender include any other gender;
 - (b) in the singular include the plural; and
 - (c) in the plural include the singular.
- 1.4.5 Unless the contrary intention appears, the following definitions apply:

“the Act” means Part 1 of the Commonhold and Leasehold Reform Act 2002 or any statutory modification or re-enactment of it for the time being in force;

“articles of association” means the articles of association of the commonhold association;

“common parts” means every part of the commonhold which is not for the time being a commonhold unit in accordance with this CCS (section 25(1) of the Act);

“commonhold assessment” means the income required to be raised from unit-holders to meet the expenses of the commonhold association (section 38 of the Act);

“commonhold association” means the commonhold association named in paragraph 2 of Annex 1;

“commonhold land” means the land that is registered at Land Registry as a freehold estate in commonhold land and described in paragraph 2 of Annex 2;

“commonhold unit” means a unit as defined in paragraphs 4 and 5 of Annex 2;

“commonhold unit information certificate” means a certificate stating the debts owed to the commonhold association in respect of the commonhold assessment or levy allocated to a commonhold unit and any interest added in respect of late payment;

“company number” means the number with which the commonhold association is registered under the Companies Act 1985;

“complaint notice” means a notice given in accordance with paragraph 4.11.5 or 4.11.27;

“default notice” means a notice given in accordance with paragraph 4.11.13;

“general meeting” means a meeting of the members of the commonhold association held in accordance with the articles of association of the commonhold association;

“levy” means an amount set by the directors of the commonhold association from time to time to be raised from unit-holders for contribution to a reserve fund (section 39 of the Act);

“limited use areas” means any part of the common parts that may only be used by authorised persons or in a manner consistent with the authorised use specified in paragraph 4 of Annex 4 (section 25(2) of the Act);

“local rules” means provisions, including information contained in the Annexes, inserted by the developer or the commonhold association, that are not prescribed by regulations;

“member” means a person whose name is entered as a member in the register of members of the commonhold association, but excludes any person who has ceased to be a unit-holder or joint unit-holder, or any person who has resigned as a member;

“memorandum” means the memorandum of association of the commonhold association;

“ombudsman” means a person whose appointment has been approved in accordance with section 42 of the Act under an approved ombudsman scheme for commonhold;

“ordinary resolution” means a resolution passed by a simple majority of such members as (being entitled to do so) vote in person or, if proxies are allowed, by proxy, at a general meeting of the commonhold association of which notice specifying the intention to propose the resolution as an ordinary resolution has been given in accordance with the articles of association;

“prescribed rate” means the rate of interest specified by the commonhold association in paragraph 1 of Annex 4;

“regulations” means regulations made under the Act from time to time and for the time being in force;

“rent” means such monies as are defined as rent in the relevant tenancy agreement;

“reply notice” means a notice given in accordance with paragraph 4.11.6, 4.11.14 or 4.11.28;

“reserve fund” means a fund set up by the directors of the commonhold association to which unit-holders contribute to finance the repair and maintenance of the common parts or commonhold units (section 39 of the Act);

“reserve study” means an inspection of the common parts to advise the directors whether or not it is appropriate to establish or maintain a reserve fund;

“special resolution” means a resolution passed by a majority of not less than 75 per cent. of such members as (being entitled to do so) vote in person or, if proxies are allowed, by proxy, at a general meeting of the commonhold association of which notice specifying the intention to propose the resolution as a special resolution has been given in accordance with the articles of association;

“tenancy” means a term of years absolute in a commonhold unit or part only of a commonhold unit and includes “sub-tenancy”; and the term “tenant” should be interpreted accordingly;

“transfer” means a transfer of the freehold estate in a commonhold unit, whether or not for consideration, whether or not subject to any reservation or other terms, and whether or not by operation of law (section 15 of the Act);

“unanimous resolution” means a resolution passed by every member as (being entitled to do so) votes in person or, if proxies are allowed, by proxy, at a general meeting of the commonhold association of which notice specifying the intention to propose the resolution as a unanimous resolution has been given in accordance with the articles of association;

“unit-holder” means a person entitled to be registered at Land Registry as the proprietor of the freehold estate in a commonhold unit (whether or not he is registered).

PART 2: THE COMMONHOLD

2.1 INTRODUCTION

2.1.1 This Part of this CCS defines the extent and location of the properties within the commonhold and the rights that exist over the commonhold land.

2.2 PLANS

2.2.1 A list of the plans incorporated in this CCS is set out in paragraph 1 of Annex 2.

2.3 COMMONHOLD LAND

2.3.1 The location and extent of the commonhold land are described in paragraph 2 of Annex 2.

2.4 COMMONHOLD UNITS

Number of units in the commonhold

2.4.1 The number of commonhold units in the commonhold is set out in paragraph 3 of Annex 2.

Location and extent of commonhold units

2.4.2 The commonhold units are defined in paragraphs 4 and 5 of Annex 2.

Rights for the benefit of commonhold units

2.4.3 Details of rights existing for the benefit of each commonhold unit over other commonhold units or over the common parts are set out in paragraph 6 of Annex 2.

Rights over commonhold units for the benefit of the common parts

2.4.4 Details of rights existing for the benefit of the common parts over one or more commonhold units are set out in paragraph 7 of Annex 2.

PART 3: COMMONHOLD ALLOCATIONS

3.1 INTRODUCTION

3.1.1 This Part of this CCS defines the commonhold allocations.

3.2 ALLOCATION OF COMMONHOLD ASSESSMENT

3.2.1 The percentage allocated to each commonhold unit in respect of the commonhold assessment is specified in paragraph 1 of Annex 3.

3.3 ALLOCATION OF RESERVE FUND LEVY

3.3.1 The percentage allocated to each commonhold unit in respect of any levy to fund the repair and maintenance of the common parts or the commonhold units is specified in paragraph 2 of Annex 3.

3.4 ALLOCATION OF VOTES

3.4.1 The number of votes allocated to a member in respect of each commonhold unit is specified in paragraph 3 of Annex 3.

PART 4: THE RULES OF THE COMMONHOLD

4.1 INTRODUCTION

- 4.1.1 This Part of this CCS sets out the rules regulating the affairs of the commonhold community and how they may be enforced.
- 4.1.2 The rules are for the benefit of, and bind, all unit-holders and the commonhold association. Where stated, rules also bind tenants.

4.2 FINANCIAL MATTERS

Commonhold Assessment – calculation and request for payment

- 4.2.1 The directors of the commonhold association must make an annual estimate of the income required to be raised from unit-holders to meet the expenses of the commonhold association, and may from time to time make estimates of income required to be raised from unit-holders in addition to the annual estimate.
- 4.2.2 Subject to paragraph 4.2.5, when the directors of the commonhold association consider that income is required to be raised from unit-holders they must give a notice containing details of the proposed commonhold assessment to each unit-holder. Form 1 [Notice of proposed commonhold assessment] must be used.
- 4.2.3 Within 1 month, beginning with the date on which the notice referred to in paragraph 4.2.2 is given, each unit-holder may make written representations to the commonhold association regarding the amount of the proposed commonhold assessment.
- 4.2.4 The directors must consider any representations made in accordance with paragraph 4.2.3 and must give a further notice to each unit-holder specifying the payments required to be made by that unit-holder and the date on which each payment is due. The notice must not specify a date for payment which is within 14 days, beginning with the date on which the notice is given. Form 2 [Request for payment of commonhold assessment] must be used.

Emergency commonhold assessment – request for payment

4.2.5 If the commonhold association requires income to meet its expenses in an emergency, then the directors of the commonhold association may give a notice to each unit-holder requiring payment of the commonhold assessment without seeking representations from unit-holders. Form 3 [Request for payment of emergency commonhold assessment] must be used.

Reserve Fund – establishment, calculation and request for payment

4.2.6 The directors of the commonhold association must consider whether to commission a reserve study by an appropriately qualified person in the first year in which the commonhold is registered.

4.2.7 The directors of the commonhold association must commission a reserve study by an appropriately qualified person at least once in every 10 years.

4.2.8 The directors of the commonhold association must consider the results of any reserve study to decide whether it is appropriate—
(a) to establish a reserve fund;
(b) to maintain any existing reserve fund; and
if it is appropriate to establish a reserve fund, or maintain an existing reserve fund, then the directors must do so.

4.2.9 The directors of the commonhold association must at appropriate intervals decide whether it is appropriate to establish one or more reserve funds or maintain any existing reserve fund; and, if they decide that it is appropriate to establish a reserve fund, or maintain an existing reserve fund, then the directors must do so.

4.2.10 The members may, by ordinary resolution, require the directors to establish a reserve fund.

4.2.11 If a reserve fund is established, then the directors of the commonhold association must set a levy from time to time; and in doing so must try to ensure that unnecessary reserves are not accumulated.

4.2.12 When the directors of the commonhold association set a levy they must give a notice containing details of the proposed levy to each unit-holder. Form 4 [Notice of proposed reserve fund levy] must be used.

4.2.13 Within 1 month, beginning with the date on which the notice referred to in paragraph 4.2.12 is given, each unit-holder may make written representations to the commonhold association regarding the amount of the levy.

4.2.14 The directors must consider any representations made in accordance with paragraph 4.2.13 and must give a further notice to each unit-holder specifying the payments required to be made by that unit-holder and the date on which each payment is due. The notice must not specify a date for payment which is within 14 days, beginning with the date on which the notice is given. Form 5 [Request for payment of reserve fund levy] must be used.

Commonhold assessment and reserve fund – payment

4.2.15 A unit-holder must pay to the commonhold association the amount that is allocated to his commonhold unit in accordance with a notice given under paragraphs 4.2.4, 4.2.5 or 4.2.14.

Commonhold assessment and reserve fund – late payment

4.2.16 If a payment required by paragraph 4.2.15 is not made by the date on which it is due, then the unit-holder must pay interest to the commonhold association at the prescribed rate for the period beginning with the date on which the payment is due and ending on the date on which the payment is made.

Commonhold assessment and reserve fund – unit-holder’s failure to pay

4.2.17 In paragraphs 4.2.18 to 4.2.26—

“tenant” means only an immediate tenant of the unit-holder who has failed to pay;
and

“diversion date” means the date on which a period of 14 days ends, beginning with the date on which the notice in paragraph 4.2.18 is given.

Diversion of rent from a tenant

4.2.18 If a unit-holder has not paid all or part of any payment due to the commonhold association under paragraphs 4.2.15 or 4.2.16, then the commonhold association may give a notice requiring a tenant to divert to the commonhold association all or part of the rent payable to the unit-holder from time to time under the tenancy agreement until the commonhold association has recovered from the tenant an equivalent sum to the amount due from the unit-holder. Form 6 [Notice to tenant of diversion of rent] must be used and the commonhold association must also give a copy to the unit-holder.

4.2.19 The commonhold association must specify in the notice the payments that the tenant is required to make. In any single payment, the commonhold association must not require the tenant to pay more rent than is due under the tenancy agreement, to pay rent earlier than is due under the tenancy agreement, or to pay rent earlier than the diversion date.

4.2.20 A tenant who receives a notice under paragraph 4.2.18 must make the payments required by the notice.

4.2.21 Unless the commonhold association specifies a later date in the notice, the tenant must make the first payment on the next date, after the diversion date, that rent is required to be paid under the tenancy agreement.

4.2.22 The commonhold association must, within a period of 14 days, beginning with the date on which all the payments required in the notice have been made, notify the tenant and the unit-holder that the diversion of rent has ended.

Diversion of rent from a tenant – no deduction

4.2.23 A tenant may not rely on any non-statutory right of deduction, set-off or counterclaim that he has against the unit-holder to reduce the amount to be paid to the commonhold association.

Diversion of rent from a tenant – discharge of liability

4.2.24 A payment made in accordance with paragraph 4.2.20 will discharge, to the extent of the payment, the liability of —

(a) the unit-holder for the amount he has failed to pay to the commonhold association; and

(b) the tenant for the payment of rent owed to the unit-holder.

4.2.25 A unit-holder is deemed to have received and accepted rent, for the purposes of the tenancy agreement, in an amount equal to the payment made in accordance with paragraph 4.2.20, and may not forfeit the tenancy for the non-payment of rent deemed to have been paid, or bring proceedings for breach of any covenant or condition in the tenancy agreement for the non-payment of the rent deemed to have been paid.

Diversion of rent from a tenant – late payment

4.2.26 If a payment required by paragraph 4.2.20 is not made by the date on which it is due, then the tenant must pay interest to the commonhold association at the prescribed rate for the period beginning with the date on which the payment is due and ending on the date on which the payment is made.

Commonhold assessment and reserve fund – tenant's failure to pay

4.2.27 In paragraphs 4.2.28 to 4.2.37—

“tenant” means only an immediate tenant of the unit-holder;

“sub-tenant” means only the immediate tenant of the tenant who has failed to pay;
and

“diversion date” means the date on which a period of 14 days ends, beginning with the date on which the notice in paragraph 4.2.28 is given.

Diversion of rent from a sub-tenant

4.2.28 If a tenant has not paid all or part of any payment due to the commonhold association under paragraphs 4.2.20 or 4.2.26, then the commonhold association may give a notice requiring a sub-tenant to divert to the commonhold association all or part of the rent payable to the tenant from time to time under the sub-

tenancy agreement until the commonhold association has recovered from the sub-tenant an equivalent sum to the amount due from the tenant. Form 7 [Notice to sub-tenant of diversion of rent] must be used and the commonhold association must also give copies to the unit-holder and the tenant.

4.2.29 The commonhold association must specify in the notice the payments that the sub-tenant is required to make and, in any single payment, the commonhold association must not require the sub-tenant to pay more rent than is due under the sub-tenancy agreement, to pay rent earlier than is due under the sub-tenancy agreement, or to pay rent earlier than the diversion date.

4.2.30 A sub-tenant who receives a notice under paragraph 4.2.28 must make the payments required by the notice.

4.2.31 Unless the commonhold association specifies a later date in the notice, the sub-tenant must make the first payment on the next date, after the diversion date, that rent is required to be paid under the sub-tenancy agreement.

4.2.32 The commonhold association must, within a period of 14 days, beginning with the date on which all the payments required in the notice have been made, notify the sub-tenant, the tenant and the unit-holder that the diversion of rent has ended.

Diversion of rent from a sub-tenant – no deduction

4.2.33 A sub-tenant may not rely on any non-statutory right of deduction, set off, or counterclaim that he has against the tenant to reduce the amount to be paid to the commonhold association.

Diversion of rent from a sub-tenant – discharge of liability

4.2.34 A payment made in accordance with paragraph 4.2.30 will discharge, to the extent of the payment, the liability of—

- (a) the unit-holder for the amount he has failed to pay to the commonhold association;
- (b) the tenant for the payment owed to the commonhold association in accordance with paragraph 4.2.20;

- (c) the tenant for the payment of rent owed to the unit-holder; and
- (d) the sub-tenant for the payment of rent owed to the tenant.

4.2.35 A unit-holder is deemed to have received and accepted rent, for the purposes of the tenancy agreement, in an amount equal to the payment made in accordance with paragraph 4.2.30, and may not forfeit the tenancy for the non-payment of rent deemed to have been paid, or bring proceedings for breach of any covenant or condition in the tenancy agreement for the non-payment of the rent deemed to have been paid.

4.2.36 A tenant is deemed to have received and accepted rent, for the purposes of the sub-tenancy agreement, in an amount equal to the payment made in accordance with paragraph 4.2.30, and may not forfeit the sub-tenancy for the non-payment of rent deemed to have been paid, or bring proceedings for breach of any covenant or condition in the sub-tenancy agreement for the non-payment of the rent deemed to have been paid.

Diversion of rent from a sub-tenant – late payment

4.2.37 If a payment required by paragraph 4.2.30 is not made by the date on which it is due, then the sub-tenant must pay interest to the commonhold association at the prescribed rate for the period beginning with the date on which the payment is due and ending on the date on which the payment is made.

Commonhold assessment and reserve fund – sub-tenant's failure to pay

4.2.38 If the sub-tenant fails to pay in accordance with paragraph 4.2.30, then paragraphs 4.2.28 to 4.2.37 may be applied with necessary modifications as against the immediate tenant of that sub-tenant and so on. The terms “tenant” and “sub-tenant” must be interpreted accordingly.

Reimbursement of tenant

4.2.39 If a tenant has suffered any loss as a result of a payment being made to the commonhold association in accordance with paragraph 4.2.20 or 4.2.30, then he may give a notice requiring the unit-holder to reimburse him for that loss.

4.2.40 Within 14 days, beginning with the date on which the notice referred to in paragraph 4.2.39 is given, the unit-holder must reimburse the tenant for the loss suffered.

Commonhold association's right to request details of tenancy

4.2.41 If a commonhold unit is let under a tenancy agreement, then the commonhold association may give a notice to one or all of the parties to the tenancy agreement requesting details of the length of the tenancy and the rent payable. Part A of Form 8 [Notice requesting further details about a tenancy] must be used.

4.2.42 Within 14 days, beginning with the date on which the notice referred to in paragraph 4.2.41 is given, the recipient must give a notice to the commonhold association providing the details requested. Part B of Form 8 [Notice requesting further details about a tenancy] must be used.

4.3 USE

4.3.1 A unit-holder or tenant must not use a commonhold unit other than in accordance with its permitted use as specified in paragraph 2 of Annex 4.

4.3.2 A unit-holder or tenant must not use the common parts other than in accordance with their permitted use as specified in paragraphs 3 or 4 of Annex 4, or other than in accordance with the rights specified in paragraph 6 of Annex 2.

4.4 INSURANCE

4.4.1 The commonhold association must insure the common parts to their full rebuilding and reinstatement costs against loss or damage by fire and such other risks as are specified in paragraph 5 of Annex 4.

- 4.4.2 The commonhold association must use the proceeds of any insurance taken out in accordance with paragraph 4.4.1 for the purpose of rebuilding or reinstating the common parts.
- 4.4.3 The commonhold association must keep details of common parts insurance and evidence of payment of the most recent premium at its registered office or such other place as the directors think fit.
- 4.4.4 A unit-holder may, on reasonable notice and at a reasonable time and place, inspect the common parts insurance policy taken out by the commonhold association and may also, upon payment of the commonhold association's reasonable charges, require the commonhold association to provide a copy of the insurance policy.
- 4.4.5 If a request is made by a unit-holder to provide a copy of the common parts insurance policy, the commonhold association must provide the copy to the unit-holder as soon as reasonably practicable upon payment of the charge.
- 4.4.6 The duties imposed by this CCS in respect of the insurance of the commonhold units are specified in paragraph 6 of Annex 4.

4.5 REPAIR AND MAINTENANCE

- 4.5.1 The commonhold association must repair and maintain the common parts. This includes decorating them and putting them into sound condition.
- 4.5.2 The duties imposed by this CCS in respect of the repair and maintenance of the commonhold units are specified in paragraph 7 of Annex 4.

4.6 ALTERATION OF THE COMMON PARTS

- 4.6.1 The commonhold association must not make any alterations to the common parts or cause or permit the common parts to be altered unless the proposed alteration is approved by ordinary resolution.

4.7 DEALINGS WITH THE LAND

Transfer of a commonhold unit – commonhold unit information certificate

- 4.7.1 A unit-holder may give a notice requiring the commonhold association to provide a commonhold unit information certificate in respect of his commonhold unit.
- 4.7.2 Within 14 days, beginning with the date on which the notice referred to in paragraph 4.7.1 is given, the commonhold association must provide a commonhold unit information certificate to the unit-holder and for the purposes of Section 4.9, a commonhold unit information certificate is a notice. Form 9 [Commonhold unit information certificate] must be used.

Transfer of a commonhold unit – new unit-holder's liability

- 4.7.3 Subject to paragraph 4.7.4, following a transfer of a commonhold unit, the commonhold association may give a notice requiring the new unit-holder to pay to the commonhold association the debts owed under paragraphs 4.2.15 and 4.2.16 by any former unit-holder in respect of that commonhold unit.
- 4.7.4 When the commonhold association has provided a commonhold unit information certificate the new unit-holder cannot be required to pay more than the amount specified in that certificate for the period up to and including the date of the certificate.
- 4.7.5 Within 14 days, beginning with the date on which the notice referred to in paragraph 4.7.3 is given, the new unit-holder must pay to the commonhold association the sum required by the notice.
- 4.7.6 If a payment required by paragraph 4.7.5 is not made by the date on which it is due, then the new unit-holder must pay interest to the commonhold association at the prescribed rate for the period beginning with the date on which the payment is due and ending on the date on which the payment is made.
- 4.7.7 When payment is made in accordance with paragraph 4.7.5 the commonhold association's right to enforce the payment of the sum paid against the former unit-holder is deemed to have been assigned to the new unit-holder.

Transfer of a commonhold unit – notification

4.7.8 Subject to paragraph 4.7.9, when a person becomes entitled to be registered as the proprietor of a freehold estate in a commonhold unit, he must notify the commonhold association within 14 days, beginning with the date on which he is entitled to be registered. Form 10 [Notice of transfer of a commonhold unit] or 11 [Notice of transfer of part of a commonhold unit] must be used.

4.7.9 When a person becomes entitled to be registered as the proprietor of a freehold estate in a commonhold unit by operation of law, he must notify the commonhold association within 14 days, beginning with the date on which he becomes aware of his entitlement. Form 12 [Notice of vesting of a commonhold unit by operation of law] must be used.

Application to add land

4.7.10 The commonhold association may not apply to Land Registry to add land to a commonhold unless the application is approved by a unanimous resolution.

Leasing – grant of a tenancy

4.7.11 A unit-holder or tenant may not grant a tenancy in a residential commonhold unit—

- (a) for a premium;
- (b) for a term of more than 7 years, unless regulation 11(2) of the Commonhold Regulations 2004 applies;
- (c) under an option or agreement if—
 - (i) the person to take the new tenancy has an existing tenancy of the premises to be let;
 - (ii) the new term added to the existing term will be more than 7 years; and
 - (iii) the option or agreement was entered into before or at the same time as the existing tenancy;
- (d) containing an option or agreement to renew which confers on either party to the tenancy an option or agreement for renewal for a further term which, together with the original term, amounts to more than 7 years;

- (e) containing an option or agreement to extend the term beyond 7 years; or
- (f) containing a provision requiring a tenant to make payments to the commonhold association in discharge of payments which are due, in accordance with this CCS, to be made by the unit-holder.

4.7.12 Before granting a tenancy in a commonhold unit, a prospective landlord must give the prospective tenant—

- (a) a copy of this CCS, including such of the plans or parts of plans as are relevant to that commonhold unit; and
- (b) a notice informing him that he will be required to comply with the paragraphs in the CCS that impose duties on him if he takes the tenancy. Form 13 [Notice to a prospective tenant] must be used.

4.7.13 If a landlord has not complied with paragraph 4.7.12 and a tenant has suffered loss as a result of an obligation in this CCS being enforced against him, then the tenant may give a notice requiring the landlord to reimburse him for that loss, unless the obligation is reproduced in the tenancy agreement.

4.7.14 Within 14 days, beginning with the date on which the notice referred to in paragraph 4.7.13 is given, the landlord must reimburse the tenant for the loss suffered.

Leasing – notification of the grant of a tenancy

4.7.15 Within 14 days, beginning with the date on which a tenancy is granted, the unit-holder or tenant who grants the tenancy must notify the commonhold association that the tenancy has been granted and must give a copy of any written tenancy agreement, or details of the terms of any oral tenancy, to the commonhold association. Form 14 [Notice of grant of a tenancy in a commonhold unit] must be used.

Leasing – assignment of a tenancy

4.7.16 Before assigning a tenancy in a commonhold unit a tenant must give the prospective assignee—

- (a) a copy of this CCS, including such of the plans or parts of plans as are relevant to that commonhold unit; and
- (b) a notice informing him that he will be required to comply with those paragraphs in the CCS that impose duties on him if he takes the assignment of the tenancy. Form 15 [Notice to a prospective assignee] must be used.

4.7.17 If a tenant has not complied with paragraph 4.7.16 and an assignee has suffered loss as a result of any obligation in this CCS being enforced against him, then the assignee may give a notice requiring the tenant to reimburse him for that loss, unless the obligation is reproduced in the tenancy agreement.

4.7.18 Within 14 days, beginning with the date on which the notice referred to in paragraph 4.7.17 is given, the tenant must reimburse the assignee for the loss suffered.

Leasing – notification of the assignment of a tenancy

4.7.19 Within 14 days, beginning with the date on which the tenancy is assigned, the new tenant must notify the commonhold association that the assignment has been completed. Form 16 [Notice of assignment of a tenancy in a commonhold unit] must be used.

Leasing – tenant’s failure to comply with a duty

4.7.20 If the commonhold association has suffered loss because a tenant of a commonhold unit has not complied with a duty in this CCS, and the duty is one which must be complied with by both a unit-holder and a tenant, the commonhold association may give a notice requiring the unit-holder to reimburse it for that loss.

4.7.21 Within 14 days, beginning with the date on which the notice referred to in paragraph 4.7.20 is given, the unit-holder must reimburse the commonhold association for the loss.

4.8 AMENDMENT OF THE COMMONHOLD COMMUNITY STATEMENT

- 4.8.1 In the application of the provisions in paragraphs 4.8.5 to 4.8.9 to a commonhold unit with joint unit-holders, a reference to a unit-holder is a reference to the joint unit-holders together.
- 4.8.2 A paragraph in Parts 1 to 4 of this CCS cannot be amended unless it is a local rule.
- 4.8.3 Except where this CCS provides otherwise and subject to the Companies Act 1985, local rules cannot be amended unless the proposed amendment is approved by ordinary resolution.
- 4.8.4 The format for paragraphs 1 to 3 of Annex 1, paragraphs 1 to 7 of Annex 2, paragraphs 1 to 3 of Annex 3 and paragraphs 1 to 7 of Annex 4 to this CCS cannot be amended.
- 4.8.5 An amendment to the rights for, or over, a commonhold unit specified in paragraphs 6 or 7 of Annex 2 cannot be made unless the unit-holder and the registered proprietor of any charge over that commonhold unit have consented in writing to the proposed amendment before it is made.
- 4.8.6 An amendment to remove a reference to a unit-holder in the column headed "Authorised users" in paragraph 4 of Annex 4 cannot be made unless the unit-holder and the registered proprietor of any charge over his commonhold unit have consented in writing to the proposed amendment before it is made.
- 4.8.7 An amendment to the permitted use of a commonhold unit specified in paragraph 2 of Annex 4 cannot be made unless the proposed amendment is approved by special resolution and the unit-holder has consented in writing to the proposed amendment before it is made.
- 4.8.8 An amendment to this CCS which redefines the extent of a commonhold unit cannot be made unless the unit-holder and the registered proprietor of any charge over that commonhold unit have consented in writing to the proposed amendment before it is made.

- 4.8.9 An amendment to this CCS which specifies that land which forms part of a commonhold unit is to be added to the common parts cannot be made unless the unit-holder and the registered proprietor of any charge over that land have consented in writing to the proposed amendment before it is made.
- 4.8.10 This CCS cannot be amended to record a change in the boundaries of the commonhold, a commonhold unit or the common parts following a transfer unless any consent required under paragraphs 4.8.8 and 4.8.9 has been given and the approval of the members by special resolution has been given.
- 4.8.11 An amendment to the following provisions cannot be made unless the proposed amendment is approved by special resolution—
- (a) the percentage of the commonhold assessment or levy allocated to a commonhold unit in paragraphs 1 and 2 of Annex 3; and
 - (b) the number of votes allocated to a member in paragraph 3 of Annex 3.
- 4.8.12 A unit-holder has the right not to have the percentage of the commonhold assessment or levy allocated to his, or any other, commonhold unit altered if the effect of the alteration, taking into account all the circumstances of the case, would be to allocate a significantly disproportionate percentage of the commonhold assessment or levy to his commonhold unit.
- 4.8.13 A unit-holder who is a member has the right not to have the number of votes allocated to him, or any other member, in respect of a commonhold unit altered if the effect of the alteration, taking into account all the circumstances of the case, would be to allocate a significantly disproportionate number of votes to him.
- 4.8.14 The directors of the commonhold association may amend this CCS without any resolution of the members to include specified provisions, or provisions of a specified kind, for a specified purpose or about a specified matter required by the Act and regulations or to delete any provisions that are of no effect for the reasons set out in paragraph 1.1.5.
- 4.8.15 If this CCS has been amended, then the directors must apply, as soon as practicable, to Land Registry for the registration of the amended CCS.

4.8.16 Amendments to this CCS only take effect when the amended version is registered at Land Registry.

4.9 NOTICES

4.9.1 Any notice given by the commonhold association under this CCS must contain the name of the commonhold association, its company number, and an address for correspondence. If a notice does not specify an address for correspondence, it will be deemed to be the same address as the address of the registered office.

4.9.2 Any Form used in accordance with this CCS must be completed in full.

4.9.3 Within 14 days, beginning with the date on which a person becomes a unit-holder or tenant, he must give a notice to the commonhold association specifying a full postal address in the United Kingdom including postcode as his address for correspondence, unless notice of that address has already been given to the commonhold association under paragraphs 4.7.8, 4.7.9, 4.7.15 or 4.7.19.

4.9.4 A unit-holder or tenant may give a notice to the commonhold association specifying up to two more addresses for correspondence, which may be postal or electronic.

4.9.5 A unit-holder or tenant may give a notice to the commonhold association requesting that an address for correspondence held by the commonhold association is amended or removed, or requesting that an additional address for correspondence is to be held by the commonhold association, provided that the notice does not request the commonhold association to hold more than three addresses for the unit-holder or tenant at any time and that at least one of those addresses is, at all times, a full postal address in the United Kingdom including postcode.

4.9.6 When giving notice to a unit-holder or tenant, the commonhold association must give notice to each of the addresses for correspondence for that unit-holder or tenant held by the commonhold association in the register referred to in paragraph 4.10.1 or 4.10.2.

- 4.9.7 If a commonhold unit has joint unit-holders, then any notice to be given in accordance with this CCS must be addressed to all the joint unit-holders together.
- 4.9.8 Any notice to be given in accordance with this CCS must be in writing and given—
- (a) personally;
 - (b) by leaving it at an address given as an address for correspondence;
 - (c) by sending it by first class post in a prepaid envelope properly addressed to an address given as an address for correspondence; or
 - (d) if an electronic address has been provided as an address for correspondence, by electronic communication to that address in accordance with any terms or conditions previously specified by the intended recipient.
- 4.9.9 Proof that an envelope containing a notice was properly addressed, prepaid and posted by first class post is conclusive evidence that it was given to a postal address. Electronic confirmation of receipt is conclusive evidence that a notice was given to an e-mail address.
- 4.9.10 A notice is deemed to have been given, unless proved otherwise—
- (a) on the day it was handed to the recipient or left at the address for correspondence;
 - (b) on the second day after it was posted to the recipient; or
 - (c) on the day after it was transmitted by electronic communication.

4.10 COMMONHOLD REGISTERS AND DOCUMENTS

- 4.10.1 The commonhold association must maintain a register of unit-holders and their commonhold units and, within 14 days of receiving notice from a unit-holder under—
- (a) paragraph 4.7.8, 4.7.9, 4.9.3 or 4.9.4, enter in the register the name and address for correspondence of the unit-holder; or
 - (b) paragraph 4.9.5, amend the register in accordance with the notice if, as a result of the amendment proposed, the commonhold association will hold in the

register in respect of the unit-holder at least one full postal address in the United Kingdom including postcode and no more than three addresses in total.

4.10.2 The commonhold association must maintain a register of tenants and, within 14 days of receiving notice under—

(a) paragraph 4.7.15, 4.7.19, 4.9.3 or 4.9.4, enter in the register—

(i) a description of the premises let;

(ii) the name and address of the tenant; and

(iii) the length of the tenancy; or

(b) paragraph 4.9.5, amend the register in accordance with the notice, if as a result of the amendment proposed, the commonhold association will hold in the register in respect of the tenant at least one full postal address in the United Kingdom including postcode and no more than three addresses in total.

4.10.3 The commonhold association must keep up-to-date copies of the CCS and the memorandum and articles of association at the registered office of the commonhold association.

4.10.4 A unit-holder or tenant may, on reasonable notice and at a reasonable time and place, inspect the CCS or the memorandum and articles of association, and may also, on payment of the commonhold association's reasonable charges, require the commonhold association to provide a copy of such documents.

4.11 DISPUTE RESOLUTION

4.11.1 The dispute resolution procedure contained in the following paragraphs applies only to the enforcement of rights and duties that arise from this CCS or from a provision made by or by virtue of the Act. References to enforcing a right include enforcing the terms and conditions to which a right is subject.

Procedure for enforcement by unit-holder or tenant against the commonhold association

4.11.2 Subject to paragraph 4.11.3, a unit-holder or tenant must use the dispute resolution procedure contained in paragraphs 4.11.4 to 4.11.9 when seeking to

enforce against the commonhold association a right or duty contained in this CCS or a provision made by or by virtue of the Act.

- 4.11.3 A unit-holder or tenant, when seeking to enforce against the commonhold association a duty to pay money or a right or duty in an emergency, may—
- (a) use the dispute resolution procedure contained in paragraphs 4.11.4 to 4.11.9;
 - (b) if the commonhold association is a member of an approved ombudsman scheme, refer a dispute directly to the ombudsman; or
 - (c) bring legal proceedings.
- 4.11.4 When seeking to enforce a right or duty a unit-holder or tenant (the “complainant”) must first consider resolving the matter by—
- (a) negotiating directly with the commonhold association; or
 - (b) using arbitration, mediation, conciliation, or any other form of dispute resolution procedure involving a third party, other than legal proceedings.
- 4.11.5 If the matter is not resolved in accordance with paragraph 4.11.4, then the complainant must, if he wishes to take further action to enforce the right or duty, give a complaint notice to the commonhold association. Form 17 [Complaint notice against commonhold association] must be used.
- 4.11.6 The commonhold association may respond to the complaint notice by giving a reply notice to the complainant. Form 18 [Reply to complaint notice against commonhold association] must be used.
- 4.11.7 Upon receipt of the reply notice or when 21 days have passed, beginning with the date on which the complaint notice is given, (whichever is earlier) the complainant must, if he wishes to take further action to enforce the right or duty, first reconsider whether the matter could be resolved—
- (a) by negotiating directly with the commonhold association; or
 - (b) by using arbitration, mediation, conciliation, or any other form of dispute resolution procedure involving a third party, other than legal proceedings.
- 4.11.8 If the matter is not resolved in accordance with paragraph 4.11.7 and the complainant wishes to take further action to enforce the right or duty, then he

must, if the commonhold association is a member of an approved ombudsman scheme, refer the matter to the ombudsman.

4.11.9 If the commonhold association is a member of an approved ombudsman scheme, then legal proceedings may only be brought once the ombudsman has investigated and determined the matter and he has notified the parties of his decision. If the commonhold association is not a member of an approved ombudsman scheme, then legal proceedings may be brought upon completion of the dispute resolution procedure contained in paragraphs 4.11.4 to 4.11.7.

Procedure for enforcement by commonhold association against a unit-holder or tenant

4.11.10 Subject to paragraph 4.11.11, the commonhold association must use the dispute resolution procedure contained in paragraphs 4.11.12 to 4.11.16 when seeking to enforce against a unit-holder or tenant a right or duty contained in this CCS or a provision made by or by virtue of the Act.

4.11.11 The commonhold association, when seeking to enforce against a unit-holder or tenant a duty to pay money or a right or duty in an emergency, may—

- (a) use the dispute resolution procedure contained in paragraphs 4.11.12 to 4.11.16;
- (b) if the commonhold association is a member of an approved ombudsman scheme, refer a dispute directly to the ombudsman; or
- (c) bring legal proceedings.

4.11.12 When seeking to enforce a right or duty the commonhold association must first consider —

- (a) resolving the matter by –
 - (i) negotiating directly with the unit-holder or tenant (the “alleged defaulter”);
or
 - (ii) using arbitration, mediation, conciliation, or any other form of dispute resolution procedure involving a third party, other than legal proceedings;
or

(b) taking no action if it reasonably thinks that inaction is in the best interests of establishing or maintaining harmonious relationships between all the unit-holders, and that it will not cause any unit-holder (other than the alleged defaulter) significant loss or significant disadvantage.

4.11.13 If the matter is not resolved in accordance with paragraph 4.11.12, then the commonhold association must, if it wishes to take further action to enforce the right or duty, give a default notice to the alleged defaulter. Form 19 [Default notice] must be used.

4.11.14 The alleged defaulter may respond to the default notice by giving a reply notice to the commonhold association. Form 20 [Reply to default notice] must be used.

4.11.15 Upon receipt of the reply notice or when 21 days have passed, beginning with the date on which the default notice is given, (whichever is earlier) the commonhold association must, if it wishes to take further action to enforce the right or duty, first reconsider whether the matter could be resolved—

(a) by negotiating directly with the alleged defaulter; or

(b) by using arbitration, mediation, conciliation, or any other form of dispute resolution procedure involving a third party, other than legal proceedings.

4.11.16 If the matter is not resolved in accordance with paragraph 4.11.15, then the commonhold association may either, if it is a member of an approved ombudsman scheme, refer the matter to the ombudsman, or, if it is satisfied that the interests of the commonhold require it, bring legal proceedings.

Procedure for enforcement by unit-holder or tenant against another unit-holder or tenant

4.11.17 Subject to paragraph 4.11.18, a unit-holder or tenant must use the dispute resolution procedure contained in paragraphs 4.11.19 to 4.11.30 when seeking to enforce against another unit-holder or tenant a right or duty contained in this CCS or a provision made by or by virtue of the Act.

4.11.18 A unit-holder or tenant, when seeking to enforce against another unit-holder or tenant a duty to pay money or a right or duty in an emergency, may—

- (a) use the dispute resolution procedure contained in paragraphs 4.11.19 to 4.11.30; or
- (b) bring legal proceedings.

4.11.19 When seeking to enforce a right or duty a unit-holder or tenant (the “complainant”) must first consider resolving the matter by—

- (a) negotiating directly with the other unit-holder or tenant (the “alleged defaulter”); or
- (b) using arbitration, mediation, conciliation, or any other form of dispute resolution procedure involving a third party, other than legal proceedings.

4.11.20 If the matter is not resolved in accordance with paragraph 4.11.19, then the complainant must, if he wishes to take further action to enforce the right or duty, give a notice to the commonhold association requesting that the commonhold association take action to enforce the right or duty against the alleged defaulter. Form 21 [Request for action] must be used.

4.11.21 The commonhold association must consider the notice referred to in paragraph 4.11.20 and decide whether to—

- (a) take action to enforce the right or duty against the alleged defaulter; and if it so decides, then to take action as soon as reasonably practicable using the dispute resolution procedure contained in paragraphs 4.11.12 to 4.11.16; or
- (b) take no action in accordance with paragraph 4.11.22; and if it so decides, then to decide whether, in accordance with paragraph 4.11.23, to allow the complainant to enforce the right or duty against the alleged defaulter directly.

4.11.22 The commonhold association may decide to take no action in respect of the matters specified in the notice referred to in paragraph 4.11.20 if it reasonably thinks that inaction is in the best interests of establishing or maintaining harmonious relationships between all the unit-holders or tenants, and that it will not cause any unit-holder or tenant (other than the alleged defaulter) significant loss or significant disadvantage.

- 4.11.23 The commonhold association may refuse the complainant the right to take further action in relation to the matter specified in the notice referred to in paragraph 4.11.20, if the commonhold association reasonably thinks that the complaint—
- (a) does not amount to a breach of a right enjoyed by, or a duty owed to, the complainant; or
 - (b) is vexatious, frivolous or trivial.
- 4.11.24 The commonhold association must, as soon as practicable after making a decision in accordance with paragraph 4.11.21, inform the complainant of outcome of its decision. Form 22 [Reply to request for action] must be used.
- 4.11.25 If the complainant wishes to challenge the decision made by the commonhold association under paragraph 4.11.21 he may use the dispute resolution procedure contained in paragraphs 4.11.4 to 4.11.9, save that for these purposes the time period mentioned in paragraph 4.11.7 is to be 7 days.
- 4.11.26 If the commonhold association fails to comply with paragraph 4.11.24 within 21 days, beginning with the date on which the notice referred to in paragraph 4.11.20 is given, the complainant may enforce the right or duty against the alleged defaulter directly, and if he does so, he must use the dispute resolution procedure in paragraphs 4.11.27 to 4.11.30.
- 4.11.27 If, by virtue of the notice referred to in paragraph 4.11.24, the complainant has the right to enforce the right or duty against the alleged defaulter directly then the complainant must, if he wishes to take further action to enforce the right or duty, give a complaint notice to the alleged defaulter. Form 23 [Complaint notice against unit-holder or tenant] must be used.
- 4.11.28 The alleged defaulter may respond to the complaint notice by giving a reply notice to the complainant. Form 24 [Reply to complaint notice against unit-holder or tenant] must be used.
- 4.11.29 Upon receipt of the reply notice or when 21 days have passed, beginning with the date on which the complaint notice is given, (whichever is earlier) the

complainant must, if he wishes to take further action to enforce the right or duty, reconsider whether the matter could be resolved—

- (a) by negotiating directly with the alleged defaulter; or
- (b) by using arbitration, mediation, conciliation, or any other form of dispute resolution procedure involving a third party, other than legal proceedings.

4.11.30 If the matter is not resolved in accordance with paragraph 4.11.29 the complainant may bring legal proceedings against the alleged defaulter in respect of the complaint specified in the notice given under paragraph 4.11.20.

ANNEX 1: IDENTITY OF THE COMMONHOLD AND THE COMMONHOLD ASSOCIATION

1. Name of the commonhold

2. Name of the commonhold association

3. Company number of the commonhold association

ANNEX 2: DEFINITION OF THE PROPERTIES WITHIN THE COMMONHOLD

1. List of plans

Plan Number	Plan reference number (if different)	Date of plan (if any)

2. Description of the location and extent of commonhold land

--

3. Total number of commonhold units in the commonhold

--

4. Description of the location and extent of commonhold units

Commonhold unit Number	Plan Number	Details of how the commonhold unit is shown on the plan	Property description

5. Further description of commonhold units

--

6. Rights for commonhold units

--

7. Rights over commonhold units

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ANNEX 3: COMMONHOLD ALLOCATIONS

1. Allocation of commonhold assessment

Commonhold unit number	Percentage allocation (total 100%)

2. Allocation of reserve fund levy

Name of reserve fund	Commonhold unit number	Percentage allocation (total 100%)

3. Allocation of votes

Commonhold unit number	Number of votes allocated to member

ANNEX 4: LOCAL RULES

1. Prescribed rate of interest

--

2. Permitted use of commonhold units

Commonhold unit number	Permitted use

3. Permitted use of common parts

--

4. Limited use areas

Description of area	Plan number	Authorised users	Authorised use

5. Insurance of common parts – insured risks

--

6. Insurance of commonhold units – duties

--

7. Repair and maintenance of commonhold units – duties

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SIGNATURE

This is the commonhold community statement of [] commonhold signed in the form required by the Commonhold Regulations 2004

[

]

Date

SCHEDULE 4
Forms

Regulation 16

Notice of proposed commonhold assessment

FORM 1

2004

You have one month beginning with the date on which this notice is given to make written representations to the commonhold association about the proposed commonhold assessment. Please refer to the commonhold community statement for further details and, if necessary, get independent advice.

To be completed by the commonhold association and sent to the unit-holder

Name of commonhold

Name of unit-holder

Address of unit-holder

Unit number

Name and address of commonhold association

<small>NAME</small>	<small>ADDRESS</small>
---------------------	------------------------

Registered company number

Proposed assessment for the commonhold (in figures)

Percentage allocated to your unit (in figures)

Amount of the proposed assessment allocated to your unit (in figures)

(in words)

Details of the amounts and dates of payments you will be required to make (use additional sheet if necessary)

Details of how to make representations (use additional sheet if necessary)

Signed (on behalf of the commonhold association)

Date

Name (please print)

Request for payment of commonhold assessment

FORM 2

2004

This is a request for payment. Interest will be payable on any late payment. Please refer to the commonhold community statement for further details and, if necessary, get independent advice.

To be completed by the commonhold association and sent to the unit-holder

Name of commonhold

Name of unit-holder

Address of unit-holder

Unit number

Name and address of commonhold association

Registered company number

Assessment for the commonhold (in figures)

Percentage allocated to your unit (in figures)

Amount of the assessment allocated to your unit (in figures)

(in words)

Details of the amounts and dates of payments you are required to make (use additional sheet if necessary)

Signed (on behalf of the commonhold association)

Date

Name (please print)

Request for payment of emergency commonhold assessment

FORM 3

2004

This is a request for payment. Interest will be payable on any late payment.
Please refer to the commonhold community statement for further details and, if
necessary, get independent advice.

To be completed by the
commonhold association
and sent to the unit-holder

Name of commonhold

Name of unit-holder

Address of unit-holder

Unit number

Name and address of
commonhold association

NAME

ADDRESS

Registered company
number

Emergency assessment
for the commonhold (in figures)

Percentage allocated to
your unit (in figures)

**Amount of the
emergency assessment**
(in figures)

allocated to your unit
(in words)

You are required to pay the
above sum to the
commonhold association by / / DD/MM/YY

An emergency
assessment is necessary
for the following reasons
(use additional sheet if necessary)

Signed (on behalf of the
commonhold association)

Date

Name (please print)

Notice of proposed reserve fund levy

FORM 4

2004

You have one month beginning with the date on which this notice is given to make written representations to the commonhold association about the proposed reserve fund levy. Please refer to the commonhold community statement for further details and, if necessary, get independent advice.

To be completed by the commonhold association and sent to the unit-holder

Name of commonhold

Name of unit-holder

Address of unit-holder

Unit number

Name and address of commonhold association

Registered company number

Proposed reserve fund levy for the commonhold (in figures)

Percentage allocated to your unit (in figures)

Amount of the proposed reserve fund levy allocated to your unit (in figures)

(in words)

Details of the amounts and dates of payments you will be required to make (use additional sheet if necessary)

Details of how to make representations (use additional sheet if necessary)

Signed (on behalf of the commonhold association)

Date

Name (please print)

Request for payment of reserve fund levy

FORM 5

2004

This is a request for payment. Interest will be payable on any late payment. Please refer to the commonhold community statement for further details and, if necessary, get independent advice.

To be completed by the commonhold association and sent to the unit-holder

Name of commonhold

Name of unit-holder

Address of unit-holder

Unit number

Name and address of commonhold association

Registered company number

Reserve fund levy for the commonhold (in figures)

Percentage allocated to your unit (in figures)

Amount of the reserve fund levy allocated to your unit (in figures)

(in words)

Details of the amounts and dates of payments you are required to make (use additional sheet if necessary)

Signed (on behalf of the commonhold association)

Date

Name (please print)

Notice to tenant of diversion of rent

FORM 6

2004

This notice requires you to pay all or part of your rent to the commonhold association instead of your landlord. Interest will be payable on any late payment. Please refer to the commonhold community statement for further details and, if necessary, get independent advice. A copy of this notice is being sent to your landlord.

To be completed by the commonhold association and sent to the tenant

Name of commonhold

Name of tenant

Address of tenant

Unit number

Name and address of commonhold association

NAME	ADDRESS
------	---------

Registered company number

Name of landlord

The commonhold association is owed money by your landlord in respect of (tick as appropriate)

- commonhold assessment payments
- reserve fund levy payments
- interest outstanding

You are required to pay the rent payable under your tenancy agreement to the commonhold association, until you have paid the following sum

(in figures)

(in words)

Further details of payments, where applicable (use additional sheet if necessary)

Signed (on behalf of the commonhold association)

Date

Name (please print)

Notice to sub-tenant of diversion of rent

FORM 7

2004

This notice requires you to pay all or part of your rent to the commonhold association instead of your landlord. Interest will be payable on any late payment. Please refer to the commonhold community statement for further details and, if necessary, get independent advice. A copy of this notice is being sent to your landlord and the unit-holder.

To be completed by the commonhold association and sent to the sub-tenant

Name of commonhold

Name of sub-tenant

Address of sub-tenant

Unit number

Name and address of commonhold association

NAME	ADDRESS
------	---------

Registered company number

Name of landlord

The commonhold association is owed money by your landlord in respect of (tick as appropriate)

diversion of rent payments

interest outstanding

You are required to pay the rent payable under your tenancy agreement to the commonhold association, until you have paid the following sum

(in figures)

(in words)

Further details of payments, where applicable (use additional sheet if necessary)

Signed (on behalf of the commonhold association)

Date

Name (please print)

Notice requesting further details about a tenancy

FORM 8

2004

Please provide the details specified below and return this form to the commonhold association. Please refer to the commonhold community statement for further details and, if necessary, get independent advice.

To be issued by the commonhold association and completed by the addressee

A. To be completed by the commonhold association

Name of commonhold

Name of addressee

Address of addressee

Details of tenancy
(such as parties to the tenancy and the relevant premises)

Unit number

Name and address of commonhold association

Registered company number

Signed (on behalf of the commonhold association) Date

Name (please print)

B. To be completed by the addressee

Details of length of tenancy (state whether it is fixed/periodical tenancy and its length)

Details of rent payable (use additional sheet if necessary) Where the rent payable is a fixed sum, please state the amount payable, the periods for which the rent is payable, the dates on which the rent is payable and, if applicable, the dates and terms on which the rent is subject to review. Where the rent is variable, please state the method of calculating the rent payable, the periods for which the rent is payable and the dates on which the rent is payable.

Signed Date

Name (please print)

Commonhold unit information certificate

FORM 9

2004

This certificate has been issued at the request of a unit-holder. It specifies the debts owed to the commonhold association at the date stated below for a particular commonhold unit in respect of the commonhold assessment, reserve fund levies and any interest for late payment. Once the unit has been transferred, the commonhold association may require the new unit-holder to pay these debts.

To be completed by the commonhold association and sent to the unit-holder

This certificate does not limit the liability of the person who is the unit-holder at the date of this certificate.

Please refer to the commonhold community statement for further details and, if necessary, get independent advice.

Name of commonhold

Unit number

Address of commonhold unit

Name and address of commonhold association

<small>NAME</small>	<small>ADDRESS</small>
<input type="text"/>	<input type="text"/>

Registered company number

Amount outstanding

(in figures)

(in words)

This amount has been calculated as follows
(use additional sheets if necessary)

Signed (on behalf of the commonhold association) Date

Name (please print)

Notice of transfer of a commonhold unit

FORM 10

2004

This notice must be completed and sent to the commonhold association within 14 days of the date on which the transferee is entitled to be registered as owner of the unit at Land Registry.

To be completed by the transferee and sent to the commonhold association

A transferee who fails to do this may not be registered as a member of the commonhold association. As a result the transferee may not receive notice of proposals affecting unit-holders, be entitled to vote or have any say in decisions relating to the running of the commonhold. A transferee must give a postal address in the UK as an address for correspondence and may specify up to two further postal or electronic addresses for correspondence.

Please refer to the commonhold community statement for further details and, if necessary, get independent advice. The change of ownership must also be registered at Land Registry.

Name of commonhold

Name and address of commonhold association

<small>NAME</small>	<small>ADDRESS</small>
---------------------	------------------------

Date of transfer DD/MM/YY

Unit number

Name of transferor

Address of transferor

Name of transferee

Address of transferee for future correspondence
(use additional sheet if necessary)

Signed Date

Name (please print)

Notice of transfer of part of a commonhold unit

FORM 11

2004

This notice must be completed and sent to the commonhold association within 14 days of the date on which the transferee is entitled to be registered as owner of the unit at Land Registry.

To be completed by the transferee and sent to the commonhold association

A transferee who fails to do this may not be registered as a member of the commonhold association. As a result the transferee may not receive notice of proposals affecting unit-holders, be entitled to vote or have any say in decisions relating to the running of the commonhold. A transferee must give a postal address in the UK as an address for correspondence and may specify up to two further postal or electronic addresses for correspondence.

Please refer to the commonhold community statement for further details and, if necessary, get independent advice. The change of ownership must also be registered at Land Registry.

Name of commonhold

Name and address of commonhold association

Date of transfer

DD/MM/YY

Land indicated on the attached plan was transferred from unit number

The land transferred has become
(tick and complete as appropriate)

part of unit number

a new commonhold unit

Name of transferor

Address of transferor

Name of transferee

Address of transferee for future correspondence
(use additional sheet if necessary)

Signed

Date

Name (please print)

Notice of vesting of a commonhold unit by operation of law

FORM 12

2004

This notice must be completed and sent to the commonhold association within 14 days of the date on which the new unit-holder becomes aware of his entitlement to be registered as owner of the unit at Land Registry.

To be completed by the new unit-holder and sent to the commonhold association

A new unit-holder who fails to do this may not be registered as a member of the commonhold association. As a result the new unit-holder may not receive notice of proposals affecting unit-holders, be entitled to vote or have any say in decisions relating to the running of the commonhold. A new unit-holder must give a postal address in the UK as an address for correspondence and may specify up to two further postal or electronic addresses for correspondence.

Please refer to the commonhold community statement for further details and, if necessary, get independent advice. The change of ownership must also be registered at Land Registry.

Name of commonhold

Name and address of commonhold association

Date of vesting

DD/MM/YY

Unit number

Name of new unit-holder

Address of new unit-holder for future correspondence

(use additional sheet if necessary)

The unit was vested in the person named above as
(tick and complete as appropriate)

- personal representative
- liquidator
- trustee in bankruptcy
- other (please specify)

Signed

Date

Name (please print)

Notice to a prospective tenant

FORM 13

2004

Before granting a tenancy in a commonhold unit or part of a commonhold unit, a prospective landlord must give the following documents to the prospective tenant:

- a completed copy of this notice; and
- a copy of the commonhold community statement, including such of the plans or parts of plans as are relevant to the unit or part of the unit to be let.

To be completed by the prospective landlord and sent to the prospective tenant

This commonhold is managed by the commonhold association named below and is subject to a commonhold community statement. This statement is a legally binding document. It contains the rights and duties of the commonhold association and the unit-holders. Some of these duties bind tenants, irrespective of the terms of the tenancy agreement. If you fail to comply with any obligation imposed on you, it may be enforced against you. In addition, if you become a tenant of the premises named below, you must give the commonhold association an address for correspondence.

Please refer to the commonhold community statement for further details and, if necessary, get independent advice.

Name of commonhold

Name of prospective tenant

Address of prospective tenant

Name of prospective landlord

Address of prospective landlord

Description of premises to be let
(use additional sheet if necessary)

These premises form the
(tick and complete as appropriate)

whole

of unit number

part

Name and address of commonhold association

Signed

Date

Name (please print)

Notice of grant of a tenancy in a commonhold unit

FORM 14

2004

This notice must be completed and sent to the commonhold association within 14 days of the date on which the tenancy is granted. If the landlord fails to do this, the commonhold association may bring proceedings to enforce the duty to give this notice and the landlord may be liable to pay costs and/or compensation.

To be completed by the landlord and sent to the commonhold association

Where the tenancy is a written tenancy agreement, the landlord must send a copy of the agreement to the commonhold association. Where the tenancy is an oral tenancy agreement, the landlord must provide the details specified below. Please refer to the commonhold community statement for further details and, if necessary, get independent advice. The tenancy may have to be registered at Land Registry.

Name of commonhold

Name and address of commonhold association

<small>NAME</small>	<small>ADDRESS</small>
---------------------	------------------------

Date on which tenancy was granted / / DD/MM/YY

The tenancy was granted in the whole part of unit number

(tick and complete as appropriate)

The tenancy was granted under (tick as appropriate) a written tenancy agreement (copy attached) an oral tenancy (see below)

Name of tenant

Address of tenant

Name of landlord

Address of landlord

If an oral tenancy, please provide the following details

Description of premises let

Length of tenancy Commencement date

Rent payable

Other relevant terms (use additional sheet if necessary)

Signed Date

Name (please print)

Notice to a prospective assignee

FORM 15

2004

Before assigning a tenancy of a commonhold unit or part of a commonhold unit, the current tenant must give the following documents to the prospective assignee:

- a completed copy of this notice; and
- a copy of the commonhold community statement, including such of the plans or parts of plans as are relevant to the unit or part of the unit to be let.

To be completed by the tenant and sent to the prospective assignee

This commonhold is managed by the commonhold association named below and is subject to a commonhold community statement. This statement is a legally binding document. It contains the rights and duties of the commonhold association and the unit-holders. Some of these duties bind tenants, irrespective of the terms of the tenancy agreement. If you fail to comply with any obligation imposed on you, it may be enforced against you. In addition, if you become a tenant of the above premises named below, you must give the commonhold association an address for correspondence.

Please refer to the commonhold community statement for further details and, if necessary, get independent advice.

Name of commonhold

Name of prospective assignee

Address of prospective assignee

Name of current tenant

Address of current tenant

Description of premises to be assigned
(use additional sheet if necessary)

These premises form the
(tick and complete as appropriate)

whole

of unit number

part

Name and address of commonhold association

Signed

Date

Name (please print)

Notice of assignment of a tenancy in a commonhold unit

FORM 16

2004

To be completed by the new tenant and sent to the commonhold association

This notice must be completed and sent to the commonhold association within 14 days of the date on which the tenancy is assigned. If the new tenant fails to do this, the commonhold association may bring proceedings to enforce the duty to give this notice and the new tenant may be liable to pay costs and/or compensation.

Please refer to the commonhold community statement for further details and, if necessary, get independent advice. The change of ownership may need to be registered at Land Registry.

Name of commonhold

Name and address of commonhold association

<small>NAME</small>	<small>ADDRESS</small>
---------------------	------------------------

Date on which tenancy was assigned DD/MM/YY

Unit number

Name of previous tenant

Address of previous tenant

Name of new tenant

Address of new tenant

Description of premises assigned
(use additional sheet if necessary)

Length of tenancy Commencement date

Rent payable

Other relevant terms
(use additional sheet if necessary)

Signed Date

Name (please print)

Complaint notice against commonhold association

FORM 17

2004

Before giving this notice the complainant must consider whether the problem might be resolved by direct negotiation or by the use of arbitration, mediation, conciliation, or any other form of dispute resolution procedure involving a third party, other than legal proceedings. Please refer to the commonhold community statement for further details and, if necessary, get independent advice.

To be completed by the complainant and sent to the commonhold association

Name of commonhold

Name and address of commonhold association

Name of complainant

Address of complainant

I am the
(tick and complete as appropriate)

unit-holder

of unit number

tenant

Details of complaint
(use additional sheet if necessary)

Action requested
(use additional sheet if necessary)

I have
(tick as appropriate)

considered trying to resolve this problem by direct negotiation or by using arbitration, mediation, conciliation, or any other form of dispute resolution procedure involving a third party, other than legal proceedings, but I do not consider these methods to be appropriate

tried to resolve this problem by direct negotiation or by using arbitration, mediation, conciliation, or any other form of dispute resolution procedure involving a third party, other than legal proceedings, but without success

Signed

Date

Name (please print)

Reply to complaint notice against commonhold association

FORM 18

2004

Please refer to the commonhold community statement for further details and, if necessary, get independent advice.

To be completed by the commonhold association and sent to the complainant

Name of commonhold

Name of complainant

Address of complainant

Name and address of commonhold association

Registered company number

The commonhold association acknowledges receipt of your complaint notice dated

DD/MM/YY

The commonhold association (tick as appropriate)

- requires further information before it is able to reach a conclusion on the matter
- accepts the validity of your complaint
- disputes your complaint

Further details (such as information required, action to be taken or reasons for disputing the complaint)

Is the association willing to try to resolve this problem by direct negotiation or by using arbitration, mediation, conciliation, or any other form of dispute resolution procedure involving a third party, other than legal proceedings?

- Yes
- No

Signed (on behalf of the commonhold association)

Date

Name (please print)

Default notice

FORM 19

2004

Before giving this notice the commonhold association must consider whether the problem might be resolved by direct negotiation or by the use of arbitration, mediation, conciliation, or any other form of dispute resolution procedure involving a third party, other than legal proceedings. Please refer to the commonhold community statement for further details and, if necessary, get independent advice.

To be completed by the commonhold association and sent to the alleged defaulter

Name of commonhold

Name of alleged defaulter

Address of alleged defaulter

Name and address of commonhold association

Registered company number

Details of complaint
(use additional sheet if necessary)

Action requested
(use additional sheet if necessary)

The association has
(tick as appropriate)

- considered trying to resolve this problem by direct negotiation or by using arbitration, mediation, conciliation, or any other form of dispute resolution procedure involving a third party, other than legal proceedings but does not consider these methods to be appropriate
- tried to resolve this problem by direct negotiation or by using arbitration, mediation, conciliation, or any other form of dispute resolution procedure involving a third party, other than legal proceedings, but without success

Signed (on behalf of the commonhold association)

Date

Name (please print)

Reply to default notice

FORM 20

2004

Please refer to the commonhold community statement for further details and, if necessary, get independent advice.

To be completed by alleged defaulter and sent to the commonhold association

Name of commonhold

Name of alleged defaulter

Address of alleged defaulter

Name and address of commonhold association

I am the
(tick and complete as appropriate)

unit-holder

of unit number

tenant

I acknowledge receipt of
your default notice dated

DD/MM/YY

I (tick as appropriate)

require further information before I am able to reach a conclusion on the matter

accept the validity of your complaint

dispute your complaint

Further details

(such as information required, action to be taken or reasons for disputing the complaint)

Are you willing to try to resolve this problem by direct negotiation or by using arbitration, mediation, conciliation, or any other form of dispute resolution procedure involving a third party, other than legal proceedings?

Yes

No

Signed

Date

Name (please print)

Request for action

FORM 21

2004

Before giving this notice the complainant must consider whether the problem might be resolved by direct negotiation or by the use of arbitration, mediation, conciliation, or any other form of dispute resolution procedure involving a third party, other than legal proceedings. Please refer to the commonhold community statement for further details and, if necessary, get independent advice.

To be completed by the complainant and sent to the commonhold association

Name of commonhold

Name and address of commonhold association

Name of complainant

Address of complainant

I am the
(tick and complete as appropriate)

unit-holder

of unit number

tenant

Name of alleged defaulter

Address of alleged defaulter

Details of complaint
(use additional sheet if necessary)

I request that the commonhold association take action against the alleged defaulter.

I have
(tick as appropriate)

considered trying to resolve this problem by direct negotiation or by using arbitration, mediation, conciliation, or any other form of dispute resolution procedure involving a third party, other than legal proceedings, but I do not consider these methods to be appropriate

tried to resolve this problem by direct negotiation or by using arbitration, mediation, conciliation, or any other form of dispute resolution procedure involving a third party, other than legal proceedings, but without success

Signed

Date

Name (please print)

Reply to request for action

FORM 22

2004

Please refer to the commonhold community statement for further details and, if necessary, get independent advice.

To be completed by the commonhold association and sent to the complainant

Name of commonhold

Name of complainant

Address of complainant

Name and address of commonhold association

Registered company number

The commonhold association acknowledges receipt of your request for action dated

DD/MM/YY

The commonhold association
(tick as appropriate)

- requires further information before it is able to reach a conclusion on this matter
- accepts the validity of your complaint and will serve a default notice on the alleged defaulter
- will not serve a default notice on the alleged defaulter but allows you to enforce the right or duty against the alleged defaulter directly
- will not serve a complaints notice on the alleged defaulter and refuses you the right to take further action in relation to this matter

Further details

(such as information required, action to be taken or reasons for not becoming involved in the dispute or reasons for not allowing the complaint to be taken any further)

Is the association willing to try to resolve this problem by direct negotiation or by using arbitration, mediation, conciliation, or any other form of dispute resolution procedure involving a third party, other than legal proceedings?

- Yes
- No

Signed (on behalf of the commonhold association)

Date

Name (please print)

Complaint notice against unit-holder or tenant

FORM 23

2004

Before giving this notice the complainant must consider whether the problem might be resolved by direct negotiation or by the use of arbitration, mediation, conciliation, or any other form of dispute resolution procedure involving a third party, other than legal proceedings. You should refer to the commonhold community statement for further details and, if necessary, get independent advice.

To be completed by the complainant and sent to the alleged defaulter

Name of commonhold

Name of alleged defaulter

Address of alleged defaulter

Name of complainant

Address of complainant

I am the
(tick and complete as appropriate)

unit-holder

of unit number

tenant

Details of complaint
(use additional sheet if necessary)

Action requested
(use additional sheet if necessary)

I have
(tick as appropriate)

considered trying to resolve this problem by direct negotiation or by using arbitration, mediation, conciliation, or any other form of dispute resolution procedure involving a third party, other than legal proceedings, but I do not consider these methods to be appropriate

tried to resolve this problem by direct negotiation or by using arbitration, mediation, conciliation, or any other form of dispute resolution procedure involving a third party, other than legal proceedings, but without success

Signed

Date

Name (please print)

Reply to complaint notice against unit-holder or tenant

FORM 24

2004

To be completed by alleged defaulter and sent to the complainant

Please refer to the commonhold community statement for further details and, if necessary, get independent advice.

Name of commonhold

Name of complainant

Address of complainant

Name of alleged defaulter

Address of alleged defaulter

I am the (tick and complete as appropriate) unit-holder of unit number
 tenant

I acknowledge receipt of your complaint notice dated / / DD/MM/YY

I (tick as appropriate) require further information before I am able to reach a conclusion on the matter
 accept the validity of your complaint
 dispute your complaint

Further details (such as information required, action to be taken or reasons for disputing the complaint)

Are you willing to try to resolve this problem by direct negotiation or by using arbitration, mediation, conciliation, or any other form of dispute resolution procedure involving a third party, other than legal proceedings? Yes
 No

Signed Date

Name (please print)

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations, made under Part 1 of the Commonhold and Leasehold Reform Act 2002, make provision in England and Wales for land to be registered as a freehold estate in commonhold land.

Part I of these Regulations contains general provisions.

Part II contains provisions about the registration of a freehold estate in land as a freehold estate in commonhold land and in particular—

- (a) specifies four classes of person, in addition to those specified in section 3, from whom it will be necessary to obtain consent to an application to register land as commonhold;
- (b) makes provision about the consent given, including the form of consent, the effect, duration and withdrawal of consent, when it will be deemed to have been given and when consent given for the purpose of one application under section 2 has effect for the purpose of another application;
- (c) makes provision for a court to dispense with consent;
- (d) prescribes the details that must be included in a statement under section 9(1)(b) which accompanies the application; and
- (e) modifies section 11 to facilitate an application to register commonhold land made by two or more people who each own the freehold estate in part of the land to be registered.

Part III contains provisions which the commonhold community statement must contain when defining the extent of a commonhold unit; requires notice to be given to the Registrar when an amendment is made to a commonhold community statement redefining the extent of a commonhold unit over which there is a registered charge and requires the Registrar to alter the register to reflect the application of sections 24(4) or (5); and prescribes the conditions which must be met before a term of years absolute in the whole or part of a residential commonhold unit may be granted.

Part IV specifies the requirements for the name of a commonhold association, makes provision for the form and content of the commonhold community statement and the memorandum and articles of association of a commonhold association and specifies the Forms to be used in accordance with the commonhold community statement of a commonhold.

Part V contains provisions dealing with the operation of a commonhold, which include—

- (a) covering enforcement of rights or duties arising from the commonhold community statement, these Regulations or Part 1 of the Act; and
- (b) restricting and regulating the exercise of rights conferred on the developer to permit him to undertake, or to facilitate his undertaking of, development business.

Part VI makes provision for termination of a commonhold.

These Regulations come into force on 27th September 2004.