

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

# COMMONHOLD AND LEASEHOLD REFORM ACT 2002

---

## EXPLANATORY NOTES

### COMMENTARY ON THE SECTIONS: PART 1

#### *Absent Landlords*

Chapter 5: Other provisions about leases

*Service charges, administration charges etc.*

#### **Manager appointed by leasehold valuation tribunal**

#### *Section 160: Third parties with management responsibilities*

273. *Section 160* corrects a defect in the appointment of a manager procedures under Part 2 of the 1987 Act. By virtue of the amendments made by this section leaseholders will be able to apply to a LVT for the appointment of a new manager where a lease provides for management functions to be carried out by a third party manager rather than the landlord. At present, leaseholders with such leases do not have the same rights as other leaseholders to apply for a new manager where the existing one is failing to manage the building properly. The grounds for appointment are extended by this section to cover acts or omissions by a third party manager as well as a landlord.

#### *Section 161: Restriction of resident landlord exception*

274. *Section 161* restricts the current exemption from the provisions of Part 2 of the 1987 Act for resident landlords in converted houses. The exemption will not apply if at least half of the flats in the building are held on long leases which are not business tenancies under Part 2 of the Landlord and Tenant Act 1954.