



Commonhold and Leasehold Reform Act 2002

2002 CHAPTER 15

PART 1

COMMONHOLD

Operation of commonhold

39 Reserve fund

- (1) Regulations under section 32 may, in particular, require a commonhold community statement to make provision—
 - (a) requiring the directors of the commonhold association to establish and maintain one or more funds to finance the repair and maintenance of common parts;
 - (b) requiring the directors of the commonhold association to establish and maintain one or more funds to finance the repair and maintenance of commonhold units.
- (2) Where a commonhold community statement provides for the establishment and maintenance of a fund in accordance with subsection (1) it must also make provision—
 - (a) requiring or enabling the directors of the commonhold association to set a levy from time to time,
 - (b) specifying the percentage of any levy set under paragraph (a) which is to be allocated to each unit,
 - (c) requiring each unit-holder to make payments in respect of the percentage of any levy set under paragraph (a) which is allocated to his unit, and
 - (d) requiring the directors of the commonhold association to serve notices on unit-holders specifying payments required to be made by them and the date on which each payment is due.
- (3) For the purpose of subsection (2)(b)—

Status: Point in time view as at 01/10/2009.

Changes to legislation: There are currently no known outstanding effects for the Commonhold and Leasehold Reform Act 2002, Section 39. (See end of Document for details)

- (a) the percentages allocated by a commonhold community statement to the commonhold units must amount in aggregate to 100;
 - (b) a commonhold community statement may specify 0 per cent. in relation to a unit.
- (4) The assets of a fund established and maintained by virtue of this section shall not be used for the purpose of enforcement of any debt except a judgment debt referable to a reserve fund activity.
- (5) For the purpose of subsection (4)—
- (a) “reserve fund activity” means an activity which in accordance with the commonhold community statement can or may be financed from a fund established and maintained by virtue of this section,
 - (b) assets are used for the purpose of enforcement of a debt if, in particular, they are taken in execution or are made the subject of a charging order under section 1 of the Charging Orders Act 1979 (c. 53), and
 - (c) the reference to a judgment debt includes a reference to any interest payable on a judgment debt.

Status:

Point in time view as at 01/10/2009.

Changes to legislation:

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