

CILEX Level 3 Certificate in Law and Practice/ CILEX Level 3 Professional Diploma in Law and Practice

Unit 19 - Residential and Commercial Leasehold Conveyancing

Question Paper

June 2023

Time allowed: 1 hour and 45 minutes (includes 15 minutes reading time)

Instructions and information

- It is recommended that you take **fifteen** minutes to read through this question paper before you start answering the questions. However, if you wish to, you may start answering the questions immediately.
- You must answer all questions.
- This question paper is out of 70 marks.
- The marks for each question are shown use this as a guide as to how much time to spend on each question.
- Write in full sentences a yes or no answer will earn no marks.
- Full reasoning must be shown in your answers.
- Statutory authorities, decided cases and examples should be used where appropriate.
- You are allowed to use your own printed copy of the pre-release case study materials, as long as the materials are not annotated in any way. Alternatively, you can access the electronic version of the pre-release case study materials available in the examination.
- You are allowed to make notes on your scrap paper during the examination.
- You are **not** allowed access to any statute books.
- You must comply with the CILEX Exam Regulations Online Exams at Accredited Centres/CILEX Exam Regulations Online Exams with Remote Invigilation.

Answer ALL questions.

Question 1

Reference: Question 1 relates to **Documents 1 and 2** of the case study materials.

In relation to 94 Dove Street, Longbury, AT17 4JK

Louise and Cameron have arranged mortgage finance with Diligent Bank. Louise and Cameron have asked you whether you will be able to represent both them as well as the bank.

(a) Explain why it is likely to be acceptable for you to act for both Diligent Bank and Louise and Cameron in relation to this transaction.

(8 marks)

Alan Waring has seen Louise and Cameron to give initial advice and take instructions.

(b) Identify **three** financial matters that Alan Waring should have discussed with them in relation to their purchase.

(3 marks)

In relation to Louise and Cameron's proposed extension referred to in the File Note (**Document 1**):

(c) (i) Explain whether entry number 1 in the charges register of the title (**Document 2**) will have an impact on their proposed extension;

(4 marks)

(ii) Explain any steps you may need to take, or consider, in order to deal with this issue if you discover that the proposed extension would breach entry number 1.

(3 marks)

All pre-contract matters have now been dealt with on both the sale and purchase, and Alan Waring is ready to exchange contracts by telephone.

(d) Explain which Law Society formula you would expect to be used on exchange of contracts on your clients' purchase.

(4 marks)

Your clients' purchase has been completed and you are now dealing with the post-completion matters. You have been instructed to deal with the Land Registry application for registration of the title.

- (e) State:
 - (i) within what time limit you must submit your clients' registration application;

(1 mark)

(ii) the effect on your clients' title if you fail to comply with that time limit.

(1 mark)

(Total: 24 marks)

Question 2

Reference: Question 2 relates to **Document 3** of the case study materials.

In relation to Flat 2, Milewell Street, Longbury, Hartshire, AT25 7TG

Sixteen months ago, Zaina and Ben signed an agreement with the freehold owner of the flat to occupy it for 18 months in return for a monthly fee. The owner reserved a right in the agreement to enter, inspect and, if necessary, repair the flat without the need to provide notice. The owner has frequently exercised this right during their occupation.

(a) Identify the essential characteristics of a lease.

(3 marks)

(b) Explain whether Zaina and Ben's agreement satisfies these essential characteristics, concluding with your assessment of the nature of this agreement.

(6 marks)

(Total: 9 marks)

Turn over

Question 3

Reference: Question 3 relates to **Document 3** of the case study materials.

In relation to Flat 8, Stonecross Court, Hole Street, Longbury, Hartshire, AT27 3DF

Your conveyancing partner, Alan Waring, has suggested that Zaina and Ben may wish to co-own Flat 8, Stonecross Court as beneficial tenants in common.

(a) Explain why a tenancy in common may be appropriate in their circumstances.

(6 marks)

The pre-contract package has now been supplied by Costwell's conveyancers.

(b) Identify **two** documents that should have been included in the pre-contract package for Flat 8, Stonecross Court and give one example of information that each document you have identified would supply.

(4 marks)

Contracts have now been exchanged.

(c) Explain whether you would use a Form TR1 transfer deed in this case and, if not, what document(s) you would use instead.

(4 marks)

- (d) Identify **two** pre-completion searches that you would carry out on the facts of this transaction. Explain the purpose of each search and the information that each search result would reveal. (5 marks)
- (e) Explain whether this transaction will qualify as a notifiable transaction for the purposes of Stamp Duty Land Tax.

(2 marks)

(Total: 21 marks)

Question 4

Reference: Question 4 relates to **Documents 3 and 4** of the case study materials.

In relation to Unit 2, The Wellow, Longbury, Hartshire

Zaina has requested some advice because the roof of Unit 2 has been damaged during recent storms and will be expensive to repair. The tenant of the unit, TSC, is refusing to pay towards the repair costs.

(a) Consider the lease extracts (**Document 4**) and explain whether the tenant is obliged to repair the roof under the lease provisions.

(5 marks)

Zaina's lease contains a five-yearly rent review clause.

(b) Identify **three** different types of rent review clause that would be suitable for this lease.

(3 marks)

Zaina wants your advice as to whether the lessee of Unit 2 will have any security of tenure.

(c) Explain the conditions that would have to be satisfied for a tenant to gain the protection of Part II Landlord and Tenant Act 1954.

(8 marks)

(Total: 16 marks)

End of the examination

© 2023 The Chartered Institute of Legal Executives