

CASE STUDY MATERIALS

January 2021
Level 3
RESIDENTIAL AND COMMERCIAL LEASEHOLD
CONVEYANCING
Subject Code L3-19



THE CHARTERED INSTITUTE OF LEGAL EXECUTIVES
UNIT 19 – RESIDENTIAL AND COMMERCIAL LEASEHOLD
CONVEYANCING*

CASE STUDY MATERIALS

Information for Candidates on Using the Case Study Materials

- This document contains the case study materials for your examination.
- In the examination, you will be presented with a set of questions which will relate to these case study materials. You will be required to answer **all** the questions on the examination paper.
- You should familiarise yourself with these case study materials prior to the examination, taking time to consider the themes raised in the materials.
- You should take the opportunity to discuss these materials with your tutor/s either face-to-face or electronically.
- It is recommended that you consider the way in which your knowledge and understanding relate to these case study materials.

Instructions to Candidates Before the Examination

- A clean/unannotated copy of the case study materials is attached to this examination.

You are permitted to take your own clean/unannotated copy of the case study materials into the examination. You are **NOT** permitted to take any other materials including notes or textbooks.
- In the examination, candidates must comply with the CILEx Examination Regulations – Online Examinations or with the CILEx Examination Regulations – Online Examinations with Remote Invigilation.

Turn over

* This unit is a component of the **CILEx LEVEL 3 PROFESSIONAL QUALIFICATIONS** and **LEVEL 3 LEGAL SERVICES KNOWLEDGE QUALIFICATIONS**

CASE STUDY MATERIALS

ADVANCE INSTRUCTIONS TO CANDIDATES

You are a trainee lawyer with Kempstons Solicitors. You are assisting the conveyancing partner, Alan Waring.

You are acting for the following clients in relation to their conveyancing transactions:

1. Fouad and Sana Falik

Your clients, Fouad and Sana, are buying a leasehold property, The Tower, Melling Grove Drive, Longbury, Hartshire. Fouad also has an issue with his property, Flat 12, Fairfield House, Dyer Street, Longbury, Hartshire. Longbury is a town in the east of England.

2. Kevin Butterworth

Kevin is buying a newly built leasehold flat: Flat 13, Swift Court, Roundhey Road, Longbury, Hartshire.

3. Silverdale plc

You also represent Silverdale plc, the landlord of Bedford Way Business Park, Longbury, Hartshire. One of the company's main concerns relates to Unit 5, Bedford Way.

Alan Waring has given you the following documents:

- | | |
|-------------------|----------------------------------------------------------------------------------------------------------------|
| Document 1 | File Note relating to Fouad and Sana Falik |
| Document 2 | Land Registry Official Copy Register Entries for The Tower, Melling Grove Drive, Longbury, Hartshire, AT24 3BM |
| Document 3 | File Note relating to Kevin Butterworth |
| Document 4 | File Note relating to Silverdale plc |
| Document 5 | Extracts from the lease of Unit 5, Bedford Way, Longbury, Hartshire, AT24 8BJ |

DOCUMENT 1

FILE NOTE

Date: 4 December 2020

We have been instructed by Fouad and Sana Falik in connection with two matters:

- the purchase of **The Tower, Melling Grove Drive, Longbury, Hartshire, AT24 3BM**; and
- an issue relating to **Flat 12, Fairfield House, Dyer Street, Longbury, Hartshire, AT20 5TF**.

Our clients have instructed us to act for them in their joint purchase of an existing leasehold property, The Tower, Melling Grove Drive, Longbury, Hartshire, AT24 3BM from Stuart Beeley at an agreed price of £500,000. The property is a four-bedroomed detached building. The original property was a 16th-century clock tower, but the tower was converted into the present-day house by a property developer in 2017.

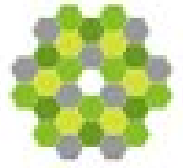
Sana and Fouad have no related sale. Sana sold her house six months ago and is temporarily living at home with her parents at 25 Heston Road, Longbury, Hartshire, AT25 9OP. Fouad is living at Flat 12, Fairfield House, Dyer Street, Longbury. Fouad's landlord had agreed that he could occupy Flat 12 for three years in return for a payment of £350 per week. Fouad had moved in straight away, but now intends to move out of the flat as soon as the purchase of The Tower is completed.

Sana and Fouad will part-fund the purchase of The Tower with a new joint mortgage loan of £250,000 from Midland Counties Building Society. We are acting for both the lender and the buyers in this transaction. The balance of the purchase money will come from their joint savings. The seller will require a full 10% deposit on exchange and is willing to give a full title guarantee.

Turn over

**OFFICIAL COPY REGISTER ENTRIES FOR THE TOWER, MELLING GROVE
DRIVE, LONGBURY, HARTSHIRE, AT24 3BM**

Land Registry



**Official copy
of register
of title**

Title number UT766386

Edition date 30.10.2017

- This official copy shows the entries subsisting on the register on 8 January 2021 at 10:43:09.
- This date must be quoted as the 'search from date' in any official search application based on this copy.
- The date at the beginning of an entry is the date on which the entry was made in the register.
- Issued on 8 January 2021 at 10:43:09.
- Under s.67 of the Land Registration Act 2002 this copy is admissible in evidence to the same extent as the original.
- This title is dealt with by Land Registry, Bilston Office.

A: Property Register

This register describes the land and estate comprised in the title.

HARTSHIRE : TRELFOED

- 1 (30.10.2017) The **leasehold** land shown and edged with red on the plan of the above title filed at the Registry and being The Tower, Melling Grove Drive, Longbury, Hartshire, AT24 3BM
- 2 (30.10.2017) Short particulars of the lease(s) (or under-lease(s)) under which the land is held:

DATE:	7 October 2017
TERM:	100 years from and including 7 October 2017
RENT:	£350 and additional sums
PARTIES:	1. Asbury Property Investments Limited 2. Stuart Beeley
- 3 (30.10.2017) There are excepted from the effect of registration all estates, rights, interests, powers and remedies arising upon, or by reason of, any dealing made in breach of the prohibition or restriction against dealings therewith inter vivos contained in the lease
- 4 (30.10.2017) Unless otherwise mentioned the title includes any legal easements granted by the registered lease(s) but is subject to any rights that it reserves, so far as those easements and rights exist and benefit or effect the registered land
- 5 (30.10.2017) The lessor's title is registered under UT767782

Page Break

B: Proprietorship Register

This register specifies the class of title and identifies the owner. It contains any entries that affect the right of disposal.

Title absolute

- 1 (30.10.2017) PROPRIETOR(S): STUART BEELEY of 5 Lambeth Grove, Kettleton, Torwys, (TO7 8DT)
- 2 (31.10.2017) The price stated to have been paid on 7 October 2017 was £399,500

C: Charges Register

This register contains any charges and other matters that affect the land.

- 1 (30.10.2017) REGISTERED CHARGE dated 7 October 2017 to secure the moneys including the further advances therein mentioned.
- 2 (30.10.2017) Proprietor(s): MERRYON FINANCE PLC of Merryon House, Cattletown, Hartshire, CT8 9JK

End of register

NOTE: A date at the beginning of an entry is the date on which the entry was made in the Register.

[NOTE TO CANDIDATES: The title plan has not been included and is not required for this assessment.]

DOCUMENT 3

FILE NOTE

We have been instructed by Kevin Butterworth in connection with:

Purchase of Flat 13, Swift Court, Roundhey Road, Longbury, Hartshire.

Our client has instructed us to act for him in his purchase of a new flat, Flat 13, Swift Court, Roundhey Road, Longbury, Hartshire from Prestige Properties (Eastern) Limited ('Prestige').

We understand from the client that the flat is priced at £420,000. Kevin, our client, has secured a mortgage with the Nateast Building Society. We have also been instructed to act for Nateast. Our client has visited the sales office for Swift Court and has informed them that we have been instructed.

Prestige bought the site in 2012, but secured planning permission for the new development in 2017. The flats have been built on previously undeveloped land neighbouring a demolished factory, located on the banks of the River Jenson.

DOCUMENT 4

FILE NOTE

We have been instructed by Silverdale plc ('Silverdale') in connection with:

Lease of Unit 5, Bedford Way, Longbury, Hartshire, AT24 8BJ.

Silverdale is the freehold owner and landlord of eight units (numbered Units 1–8) at Bedford Way Business Park in Longbury. The business park was built on the site of an old disused steelworks.

In 2016, Silverdale let Unit 5, a detached business unit, to Lafferty Engineering Limited ('Lafferty') for a term of eight years. Lafferty has approached Silverdale, as it is considering assigning the property.

On inspection of Unit 5, Silverdale has discovered that there is evidence of fire damage to an internal wall. According to Lafferty, one of its employees had accidentally discarded a lighted cigarette into a waste bin, which caught fire and caused the damage. Silverdale is particularly concerned, as its insurance company has indicated that it will refuse to pay for the damage.

We have also been told by Silverdale that it may instruct us shortly in relation to the letting of another of its units (Unit 8, Bedford Way) to a new tenant.

Turn over

DOCUMENT 5

EXTRACTS FROM THE LEASE OF
UNIT 5, BEDFORD WAY, LONGBURY, HARTSHIRE, AT24 8BJ

1. INTERPRETATION

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1.5.1 Insured Risks: means fire, explosion, lightning, earthquake, storm, flood, bursting and overflowing of water tanks, apparatus or pipes, impact by aircraft and articles dropped from them, impact by vehicles, riot, civil commotion and any other risks against which the Landlord decides to insure against from time to time and **Insured Risk** means any one of the Insured Risks.

...

1.5.16 Property: Unit 5, Bedford Way, Longbury, Hartshire, AT24 8BJ.

...

6.1 The Tenant shall keep the Property clean and tidy and in good repair.

6.2 The Tenant shall not be liable to repair the Property to the extent that any disrepair has been caused by an Insured Risk, unless and to the extent that:

- a) the insurance proceeds are withheld in consequence of any act or omission of the Tenant, or their respective workers or any person on the Property with authority of any of them. ...

End of Case Study Materials