



**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 2022

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.

Turn over

Answer ALL questions

Question 1

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

In relation to 21 Gregan Terrace, Longbury

Your conveyancing partner, Alan Waring, has asked you to contact Tom and Helen to arrange for them to come into the office for their initial interview.

- (a) Explain why you will ask Tom and Helen to bring their passports and recent utility bills into the office when they provide initial instructions at their first meeting with Alan.

(4 marks)

Tom and Helen have asked whether you will be able to act for Nateast Finance plc as well as themselves, in order to minimise the legal expenses of this transaction.

- (b) Explain whether you can act for both Tom and Helen and Nateast Finance plc in relation to this particular transaction.

(8 marks)

The pre-contract documentation has been supplied to you by the seller's lawyer. Included in the documentation are details of the registered title to 21 Gregan Terrace (**Document 2**). Your title investigation has revealed entry 2 in the property register of the title.

- (c) Explain the title implications of entry 2 in the property register, and what checks or enquiries you should make in relation to this entry.

(3 marks)

Tom and Helen's mortgagee, Nateast Finance plc, has carried out a valuation on 21 Gregan Terrace.

- (d) Explain whether you would advise Tom and Helen to rely upon this valuation, whether you would advise them to have another type of survey, and if so which type of survey would be suitable in this case.

(6 marks)

Contracts have been exchanged on the purchase of 21 Gregan Terrace. The contract incorporates the Standard Conditions of Sale (Fifth Edition – 2018 Revision).

Tom has contacted you as he is concerned that any cold winter weather could result in a burst water pipe at 21 Gregan Terrace, with resultant water damage to the property.

- (e) Explain what the position would be, in terms of responsibility for insurance of the property and for the damage to the property, if such damage occurred between exchange of contracts and completion.

[Note to candidates: You do not need to quote specific Standard Conditions of Sale in your answer.]

(8 marks)

The purchase of 21 Gregan Terrace has now been completed and Alan Waring has asked you to deal with the post-completion step of registration of the dealings at the Land Registry.

- (f) List **four** documents that must accompany the AP1 application in this case.

(4 marks)

(Total: 33 marks)

Turn over

Question 2

Reference: Question 2 relates to **Documents 3 and 4** of the case study materials.

In relation to Flat 7, Avondale Heights, Dayton

Your conveyancing partner, Alan Waring, represents Beauvoir Property Investments Limited (Beauvoir).

The sales department team leader at Beauvoir, Karen Taylor, has contacted you to discuss the new sales pre-contract information package documentation that she wants supplied to potential buyers. She is keen to ensure that the offer letter supplied within the package will not bind them to sell at the stated price if she is instructed to raise the price at a later date.

- (a) List the **three** relevant conditions in **s2 Law of Property (Miscellaneous Provisions) Act 1989** that a contract for the sale of an estate in land must satisfy in order to be valid.

(3 marks)

You are checking the other contents of the pre-contract package to be supplied by Beauvoir.

- (b) Explain why you will require that the pre-contract package should include an Energy Performance Certificate (EPC).

(2 marks)

Karen Taylor has asked you to consider whether the following two proposals from Clinton Petrou would be permitted by the lease for Flat 7 (**Document 4**):

- The installation of a reinforced glass balcony at the rear of the flat.
- Replacing the existing bathroom suite with a new suite.

- (c) Explain, identifying the relevant lease clauses, whether Clinton would be permitted to make these proposed changes to Flat 7.

(6 marks)

Your firm will be completing the sale of Flat 7 by using the postal method of completion.

- (d) List **four** provisions from the Law Society Code for Completion by Post that will apply to the procedure for this method of completion.

(4 marks)

(Total: 15 marks)

Question 3

Reference: Question 3 relates to **Document 5** of the case study materials.

In relation to Unit 27, Topton Court Business Park, Longbury

Laura Menston is granting a new lease of her business unit.

- (a) Explain, from a landlord's perspective, the advantages and disadvantages of leasing a property. **(7 marks)**
- (b) During negotiations, Darren Bates has insisted upon security of tenure for the lease of Unit 27.
- (i) List the conditions that would have to be satisfied for Darren to gain statutory protection for his lease. **(4 marks)**
- (ii) Explain **three** rights gained by Darren if his lease has acquired such security of tenure. **(3 marks)**

Laura wants the new lease to include a rent review clause, so that the original rental figure does not lag behind the market value of the unit. She understands that a fixed increase clause would be inappropriate but wants advice about alternative clauses.

- (c) Excluding a fixed increase clause, list and explain **three** types of rent review clause. **(6 marks)**

Laura has become increasingly aware about the environment and her role as a commercial landlord. Having attended a briefing meeting which referred to the development of 'green leases', she has come to you to seek some advice about lease terms for the unit.

- (d) Identify **two** landlord 'green' covenants that could be included in such a lease. **(2 marks)**

(Total: 22 marks)

End of the examination

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