22 January 2021 Level 6 CONVEYANCING Subject Code L6-17



THE CHARTERED INSTITUTE OF LEGAL EXECUTIVES UNIT 17 – CONVEYANCING*

Time allowed: 3 hours plus 15 minutes' reading time

Instructions to Candidates

- You have been provided with a clean copy of the case study materials for you to use in this examination.
- You have FIFTEEN minutes to read through this question paper and the case study materials before the start of the examination.
- It is strongly recommended that you use the reading time to <u>read</u> this question paper fully. However, you may make notes on this question paper or in your answer booklet during this time, if you wish.
- All questions are compulsory. You must answer ALL the questions.
- Write in full sentences a yes or no answer will earn no marks.
- Candidates must comply with the CILEx Examination Regulations.
- Full reasoning must be shown in answers. Statutory authorities, decided cases and examples should be used where appropriate.

Information for Candidates

- The mark allocation for each question and part-question is given and you are advised to take this into account in planning your work.
- Write in blue or black ink or ballpoint pen.
- Attention should be paid to clear, neat handwriting and tidy alterations.
- Complete all rough work in your answer booklet. Cross through any work you do not want marked.

Do not turn over this page until instructed by the Invigilator.

^{*} This unit is a component of the following CILEx qualifications: LEVEL 6 CERTIFICATE IN LAW, LEVEL 6
PROFESSIONAL HIGHER DIPLOMA IN LAW AND PRACTICE and the LEVEL 6 DIPLOMA IN LEGAL
PRACTICE

Question 1

Reference: Question relates to 16 Sussex Street, Cambridge, CB6 8TZ (**Sussex Street**) and to **Documents 1, 2 and 7** of the case study materials.

(a) The attendance note (**Document 1**) discloses that your clients have not yet provided proof of ID. Explain why this is required and identify **two** examples of documents that will be acceptable for that purpose.

(8 marks)

(b) Identify which documents you will include in the contract pack for the sale of Sussex Street.

(9 marks)

(c) Explain the meaning of entry 3 in the Proprietorship Register for Sussex Street (**Document 2**), and how it will affect your drafting of the contract for sale in relation to Sussex Street.

(7 marks)

(Total: 24 marks)

Question 2

Reference: Question relates to Flat 4, Park View Mansions, Albermarle Road, Wisbech, PE13 9QH (**Flat 4**) and to **Documents 1, 3, 4, 5 and 6** of the case study materials.

(a) Draft the requisitions on title and other specific pre-contract enquiries that you will raise with the Seller's Lawyers in relation to Flat 4 based solely on the information contained in, and any issues arising out of, **Documents 3**, 4, 5 and 6. In relation to each requisition or enquiry that you draft, separately state your reason for raising it.

[NOTE TO CANDIDATES: You should assume that, at the point at which you are drafting the requisitions/enquiries, no other documentation has been received.]

(14 marks)

(b) Identify which pre-contract searches you will carry out in relation to Flat 4, and, for each search that you identify, state your reason for carrying out that search.

(7 marks)

You have now received the results of your searches. They reveal, among other things, that there is a significant risk of contamination as a result of the prior use of part of the site of the Development as a petrol filling station.

(c) Explain the significance of that result, the implications for your clients, and any steps which you might recommend to mitigate those implications.

(5 marks)

(Total: 26 marks)

Question 3

Reference: Question relates to Sussex Street and Flat 4, and to **Documents 1, 3, 4, 5 and 7** of the case study materials.

(a) Explain what is meant by paying the deposit for Flat 4 to the Developer's Lawyers 'as agent' for the Developer under clause 6 of the draft Agreement for Lease (**Document 5**). Identify the risk that this may pose for your clients, any problems or practical issues this may cause your clients, and any protection that may be available in respect of any risk that you identify.

(8 marks)

(b) Explain the difficulties presented by the Agreement for Lease (**Document 5**) in terms of the prospects for achieving simultaneous completion in relation to Sussex Street and Flat 4, and what advice you would give your clients to overcome any difficulties you identify.

(6 marks)

You have now received satisfactory responses to your requisitions on title and all other outstanding matters have been resolved. You are now in a position to exchange contracts on Flat 4.

(c) Explain which formula you will be most likely to use to exchange contracts on the purchase of Flat 4, and identify what documents and/or items you will send to the Developer's Lawyers as part of this exchange process.

(6 marks)

You are ready to complete the sale of Sussex Street. However, on the day that is fixed for completion, you receive a telephone call from Sara Khan at Touchstone Law LLP. In that call, she explains that: (1) she is holding the mortgage advance from the Buyers' mortgage lender, but (2) the Buyers' bank has suffered a major IT system failure, which means that it has been unable to transfer the balance of the purchase price to Touchstone Law LLP's client account, as a result of which (3) she will not be able to transfer the purchase price to your firm today, but (4) she anticipates that the problem will be resolved, and outstanding transfers will be finalised, within the next 48 hours.

(d) Explain the impact of this information on completion of your clients' sale and what action, if any, you would advise them to take in light of this development.

(6 marks)

(Total: 26 marks)

Question 4

Reference: Question relates to Flat 4 and Sussex Street, and to **Documents 1, 2 and 5** of the case study materials.

Assume that all issues have now been resolved and you are ready to complete the sale of Sussex Street.

(a) Explain what undertakings you will give to Touchstone Law LLP under the Law Society's Code for Completion by Post 2019.

(10 marks)

You have now received a Practical Completion Notice in relation to Flat 4, giving you ten working days from today to complete the purchase of that property.

(b) Explain which pre-completion searches you will carry out in relation to Flat 4. In relation to each that you identify, state which form (if any) you will use, who will be the applicant, the purpose of the search and any applicable time factors.

(14 marks)

(Total: 24 marks)