



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 read 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**

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Question 1

Reference: **Question 1 relates to 190 Ringley Road West, Radcliffe, M26 1EA ('Ringley Road') and to Documents 1, 2 and 3 of the case study materials.**

(a) Explain, giving reasons, which documents from the documentation in your possession you will provide to the buyer's lawyers in the Epitome of Title of Ringley Road. In your answer you must clearly identify the following:

- (i) pre-root documentation;
- (ii) the root of title;
- (iii) post-root documentation.

(15 marks)

(b) Explain:

- (i) what class of title the Land Registry will register Ringley Road with, on first registration, if the buyer's lawyers sent to the Land Registry only those documents which you referred to in your answer to question 1(a) above;
- (ii) whether the buyer's lawyers will find this class of title satisfactory, and, if not, what action they will require you to take on or before completion.

(7 marks)

(Total: 22 marks)

Question 2

Reference: **Question 2 relates to 190 Ringley Road West, Radcliffe, M26 1EA ('Ringley Road') and 159 Proudfoot Drive, Bishop Auckland, DL14 6PE ('Proudfoot Drive') and to Documents 1, 2, 3 and 5 of the case study materials.**

- (a) Advise your client on her responsibility to the lessor of Ringley Road, before and after the completion of the assignment of Ringley Road.

(6 marks)

- (b) Draft the **FRONT PAGE** and the **Special Conditions** of the contract for sale for Ringley Road, using the blank form of contract attached to this Examination Paper (**Document A**). Note: There is no need to explain how you are completing the contract, but ensure that you draft all parts of the front page and the Special Conditions of the contract.

IMPORTANT: Write your candidate number clearly on Document A and attach it securely to the inside of your answer booklet.

(14 marks)

The buyer's survey of Ringley Road has shown that the roof and foundations of this house are in disrepair. Your client has agreed to reduce the sale price by £20,000 to £140,000. Your client's brother, Kevin Heart, has offered to lend your client £20,000 in return for being permitted to live at Proudfoot Drive for the next five years rent-free.

- (c) Explain what issues this raises for your client's lender on the purchase of Proudfoot Drive and the steps the lender will expect you to take to protect its position.

(6 marks)

(Total: 26 marks)

Question 3

Reference: **Question 3 relates to 190 Ringley Road West, Radcliffe, M26 1EA ('Ringley Road') and 159 Proudfoot Drive, Bishop Auckland, DL14 6PE ('Proudfoot Drive') and to Documents 1, 2, 3, 4 and 5 of the case study materials.**

You have now received the results of the Environmental pre-contract search that you carried out for Proudfoot Drive and the key entry reads as follows:

'Surface Water Flooding High - The site is considered to be at significant risk of surface water flooding...'

- (a) Explain what issues this entry raises in respect of your client's purchase of Proudfoot Drive, what requisitions you will raise with the sellers' lawyers and what other action you will take to protect your client's position.
(5 marks)
- (b) Draft the requisitions on title that you will raise with the seller's lawyers on Proudfoot Drive, based **solely** on the information contained in, and issues raised by, the Official Copy of the Register for Proudfoot Drive (**Document 4**), and in your answer explain your reasons for raising each requisition that you identify.

Note: Please write your answer to this question in your answer booklet.
(8 marks)

- (c) Explain which Law Society formula you will use to exchange contracts on the purchase of Proudfoot Drive and what documents and/or items you will send to the sellers' lawyers following exchange of contracts.
(5 marks)
- (d) Explain which pre-completion searches you will perform in relation to Proudfoot Drive. In your answer, ensure that you identify the forms that you will use, any time limits that apply, the applicant (if any), for each search and the reasons for making each search.

(9 marks)
(Total: 27 marks)

Question 4

Reference: **Question 4 relates to 190 Ringley Road West, Radcliffe, M26 1EA ('Ringley Road') and 159 Proudfoot Drive, Bishop Auckland, DL14 6PE ('Proudfoot Drive') and to Documents 1, 2, 3, 4 and 5 of the case study materials.**

The Standard Conditions of Sale (5th edition) apply unamended. Completion is scheduled to occur at 2 pm today. Four days ago, your client paid to Kempstons a cheque in the sum of £20,000, being the balance of the purchase price which she originally received from her brother. However, your accounts department has just informed you that these funds have not yet cleared.

- (a) Explain what action you will now take and the advice that you will give to your client, in respect of completing the purchase of Proudfoot Drive today.

(13 marks)

After a few days, your client's cheque finally clears and you pay the balance to the sellers' lawyers. You are now in a position to complete both your client's sale and purchase. All parties have confirmed that they are using the Law Society National Conveyancing Protocol.

- (b) Explain what steps you will now follow under the Law Society Code for Completion by Post, in relation to the sale of Ringley Road, and identify the documents/items you will send to the buyer's lawyers following completion of the sale.

(7 marks)

- (c) Explain what procedure you will now follow to ensure that relevant taxation is paid on your client's purchase of Proudfoot Drive and the consequences if this procedure is contravened.

(5 marks)

(Total: 25 marks)

DOCUMENT A
(To be used with Question 2)

CONTRACT

Incorporating the Standard Conditions of Sale (Fifth Edition)

For conveyancer's use only

Buyer's conveyancer:

Seller's conveyancer:

Law Society Formula: [A / B / C / Personal exchange]

Date :

Seller :

Buyer :

Property (freehold/leasehold) :

Title number/root of title :

Specified incumbrances :

Title guarantee (full/limited) :

Completion date :

Contract rate : Leave blank

Purchase price :

Deposit :

Contents price (if separate) :

Balance :

The seller will sell and the buyer will buy the property for the purchase price.

<p>WARNING</p> <p>This is a formal document, designed to create legal rights and legal obligations. Take advice before using it.</p>	<p>Signed</p> <p>Seller/Buyer</p>
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- 1 (a) This contract incorporates the Standard Conditions of Sale (Fifth Edition).
 (b) The terms used in this contract have the same meaning when used in the Conditions.
- 2 Subject to the terms of this contract and to the Standard Conditions of Sale, the seller is to transfer the property with either full title guarantee or limited title guarantee, as specified on the front page.
- 3 (a) The sale includes those contents which are indicated on the attached list as included in the sale and the buyer is to pay the contents price for them.
 (b) The sale excludes those fixtures which are at the property and are indicated on the attached list as excluded from the sale.
- 4 The property is sold with vacant possession.
 (or)
- 4 The property is sold subject to the following leases or tenancies:
- 5 Conditions 6.1.2 and 6.1.3 shall take effect as if the time specified in them were rather than 2.00 p.m.

6 Representations

Neither party can rely on any representation made by the other, unless made in writing by the other or his conveyancer, but this does not exclude liability for fraud or recklessness.

7 Occupier's consent

Each occupier identified below agrees with the seller and the buyer, in consideration of their entering into this contract, that the occupier concurs in the sale of the property on the terms of this contract, undertakes to vacate the property on or before the completion date and releases the property and any included fixtures and contents from any right or interest that the occupier may have.

Note: this condition does not apply to occupiers under leases or tenancies subject to which the property is sold.

Name(s) and signature(s) of the occupier(s) (if any):

Name

Signature

Notices may be sent to:

Seller's conveyancer's name:

Leave blank

E-mail address:*

Buyer's conveyancer's name:

Leave blank

E-mail address:*

*Adding an e-mail address authorises service by e-mail see condition 1.3.3(b)

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End of Examination Paper