



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

Time allowed: 1 hour and 30 minutes 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 **CILEx LEVEL 3 PROFESSIONAL QUALIFICATIONS** and **LEVEL 3 LEGAL SERVICES KNOWLEDGE QUALIFICATIONS**

Question 1

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

In relation to 53 Heathcliff Street, Yeobury

Your conveyancing partner, Alan Waring, has asked you to contact David and Melissa to arrange for them to come into the office for their initial meeting.

- (a) Explain why you will ask David and Melissa to bring their passports and recent utility bills into the office when they attend the meeting.

(4 marks)

David and Melissa 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 David and Melissa, and Nateast Finance plc in relation to this particular transaction.

(8 marks)

The pre-contract documentation has been supplied to you by Syed Shiva's solicitor. Included in the documentation are details of the registered title of 53 Heathcliff Street (**Document 2**). Your title investigation has revealed entry 2 in the property register of the title.

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

(3 marks)

David and Melissa's mortgagee, Nateast Finance plc, has carried out a valuation on 53 Heathcliff Street.

- (d) Explain whether you would advise David and Melissa to rely on this valuation or whether you would advise them to have another type of survey.

(6 marks)

Contracts have been exchanged on the purchase of 53 Heathcliff Street. The contract incorporates the Standard Conditions of Sale (5th edition).

David has contacted you, as he is concerned that any cold winter weather could result in a burst water pipe at 53 Heathcliff Street with resultant water damage to the property.

(e) Explain, if such damage occurred between exchange of contracts and completion:

(i) who would be responsible for that damage;

(1 mark)

(ii) who would be responsible for insuring the property.

(7 marks)

[NOTE: Candidates do not need to quote specific Standard Conditions of Sale in their answer]

The purchase of 53 Heathcliff Street 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.

(4 marks)

(Total: 33 marks)

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Question 2

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

In relation to Flat 44, Corsham Heights, Tatebury

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

The sales department team leader at Upmans, Jacqui Peterson, has contacted you to discuss the new sales pre-contract package that she wants to supply to potential buyers. She is keen to ensure that the offer letter included in the package will not bind Upmans to sell at the stated price if she is required to increase the price at a later date.

- (a) List the **three** conditions in s.2 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 contents of the pre-contract package to be supplied by Upmans.

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

(2 marks)

Jacqui Peterson has asked you to consider whether the following two proposals from Winston D'Abo would be permitted by the lease for Flat 44:

- The addition of a small balcony at the rear of the flat.
 - Converting the existing bathroom into a wetroom.
- (c) Explain, identifying the relevant lease clauses, whether Winston would be permitted to make these proposed changes to Flat 44.

(6 marks)

Your firm will be completing the sale of Flat 44 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: This question relates to **Document 5** of the case study materials.

In relation to Unit 72, Crockett Court Business Park, Yeobury

(a) Explain, from a landlord's perspective, the advantages and disadvantages of leasing a property.

(7 marks)

(b) During negotiations, Barry Wise has insisted on security of tenure for the lease of Unit 72.

(i) List the conditions that would have to be satisfied for Barry to gain statutory security of tenure for his lease.

(4 marks)

(ii) Explain **three** rights provided to a tenant if his lease has acquired such security of tenure.

(3 marks)

Jane wants the new lease to include a rent review clause so that the original rental figure does not fall behind the market rental value of the unit.

(c) List and explain **four** types of rent review clause.

(8 marks)

(Total: 22 marks)

End of Examination Paper

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