

**The Institute of Legal Executives**  
**LEVEL 6 PROFESSIONAL HIGHER DIPLOMA IN LAW**  
**CONVEYANCING**

Time allowed: 3 hours and 15 minutes

The first 15 minutes are for you to read the question paper. During the 15 minutes reading time you may make notes on the perforated notes page at the back of this question paper **ONLY**. These notes must be securely attached to your answer booklet at the end of the examination. You will then have 3 hours in which to complete the examination.

Answer question 1, which is worth 70 marks, and **EITHER** question 2 **OR** question 3, each of which is worth 30 marks.

Full reasoning must be shown in answers – a yes or no answer will earn no marks.

Authorities and decided cases should be cited where appropriate.

**NOTES**

Questions may concern Registered Land or Unregistered Land or possibly a mixture of both.

Candidates are expected to deal with relevant cases statutes and other authorities reasonably fully in their answers to deal critically with matters of professional practice.

**P.T.O.**

### Question 1

- DOCUMENT 1 - Note of attendance on clients
- DOCUMENT 2 - Draft contract for sale
- DOCUMENT 3 - Official Copies of Register entries
- DOCUMENT 4 - Blank TR1

Your firm has been instructed to act for George Mann and Constanza Antoneli in connection with their sale of 43 Norman Road, Nearhill, Hampdenshire FH13 7AW and their purchase of 63 Angton Drive, Kernden, Marfordshire, MA14 8LG (see **Document 1**).

Since receiving instructions, you have received **Documents 2** and **3** from the sellers' solicitors. You have also received instructions from your clients' proposed mortgagee to act for the mortgagee in the perfection of its charge.

- (a) Explain what further documents you expect to receive from the sellers' solicitors.  
**(5 marks)**
- (b) List and explain any amendments you will make to the draft contract for sale (**Document 2**). **Write your answer in the answer book provided and not on the contract form itself.**  
**(16 marks)**
- (c) You undertake the "usual" searches in respect of the purchase property. The Local Search reveals that the property is in an area subject to a Smoke Control Order. The Drainage Search reveals that the property is not connected to mains drainage. The other searches are "clear".

You have agreed to submit a written report on title to your purchaser clients. Draft that part of the report dealing with matters revealed by the Official Copies and the results of your searches (**you should write the draft in the answer book provided**).

**(14 marks)**

**NOW ASSUME THAT ALL PRE-CONTRACT MATTERS HAVE BEEN RESOLVED SATISFACTORILY.**

- (d) Two days before you are expecting to exchange contracts, your clients telephone you. They explain that a family emergency has required them to travel to France for a few days. They are keen not to allow their trip to delay the transaction, so they ask you to sign the contract.

Explain whether (and if so under what circumstances) you can comply with their request.

**(7 marks)**

- (e) Explain how you will effect exchange of contracts in respect of your clients' related sale and purchase.

**(10 marks)**

**ASSUME THAT EXCHANGE OF CONTRACTS HAS BEEN EFFECTED IN RESPECT OF BOTH SALE AND PURCHASE, AND THAT BOTH CONTRACTS ARE SUBJECT TO THE STANDARD CONDITIONS OF SALE (4<sup>th</sup> EDITION)**

- (f) Explain how you will complete form TR1 (**Document 4**) for the purchase of 63 Angton Drive. **Write your answer on the blank Form TR1 itself, attaching it securely to your answer book. Any explanatory notes should be written in the answer book.**

**(8 marks)**

- (g) The day before completion you are contacted by your clients (who are back in the country), who inform you that there has been a serious fire which has destroyed the building at 63 Angton Drive.

Explain the advice you will give to your clients.

**(10 marks)**

**(Total: 70 marks)**

## **ANSWER EITHER QUESTION 2 OR QUESTION 3**

### **Question 2**

DOCUMENT 5 - Epitome of Title

You are instructed by Jamie McLeish and Hannah Jordan in the cash purchase of 27 Chalfont Street, High Marsh, Hampdenshire, an unregistered freehold, for £210,000. The sellers, Norman Brown and George Montague, are the executors of the estate of the late Peter Doughty. The sellers' solicitor provides you with Sellers' Property Information Forms (including Fixtures and Fittings Form), a draft contract, all of which you find satisfactory (**note to candidates: these documents are not relevant and copies are not supplied**). In addition they provide you with an Epitome of Title (**Document 5**) together with copies of the documents listed.

- (a) Explain what steps you will take to ensure compliance with money laundering regulations throughout the transaction.

**(7 marks)**

- (b) Explain the steps you will take in your investigation of title based on the Epitome, including requests you will make for the provision of further documents, and any requisitions on title you will raise with the sellers' solicitors.

**(15 marks)**

- (c) Assuming exchange and completion take place in the normal way, explain what steps you will take on and after completion before closing your clients' file.

**(8 marks)**

**(Total: 30 marks)**

**P.T.O.**

### Question 3

You are instructed by Samuel Reynolds in connection with his purchase of a residential commonhold flat, 112 Bodmin Court, Hoares Lane, Hampdenshire, FH7 9DJ, from Kate and Brian Smith, at a price of £170,000. Samuel is purchasing with the aid of a "buy-to-let" mortgage from MSPBC Plc in the sum of £130,000. The balance of the purchase price, together with costs and disbursements, is coming from Samuel's savings account. Samuel explains that he sees the property as a long term investment, but that the rental income from the property is also important to him. Samuel is particularly keen that you confirm that he will be able to let the property.

- (a) Explain the documents you expect to receive from the sellers' solicitor, relating to the title and its commonhold nature.

**(7 marks)**

- (b) Explain whether (and if so under what circumstances) Samuel would be able to let the property.

**(7 marks)**

- (c) Explain the pre-completion searches you will undertake, and the results you would expect to see.

**(6 marks)**

- (d) On day of completion you are contacted by the sellers' solicitors, who inform you that the property has been "squatted", and that completion cannot take place as per the contract.

Explain what remedies are available to your client, if completion does not take place on the date specified in the contract.

**(10 marks)**

**(Total: 30 marks)**

**P.T.O.**

## **DOCUMENT 1**

### Note of Attendance on Clients

Mary Popplewell (conveyancing assistant) attending George Mann and Constanza Antoneli in connection with:

Sale of 43 Norman Road, Nearhill, Hampdenshire FH13 7AW (sale price: £200,000, outstanding mortgage: £130,000 approx with Monkton Bank plc, selling agents: Hazzard & Co Nearhill office, purchasers: Robert and Alison Gray, purchasers' solicitors: Singh, Coppel and Partners, Farhill office).

Purchase of 63 Angton Drive, Kernden, Marfordshire, MA14 8LG (purchase price: £260,000, mortgage in principle of £200,000 from Jarvis Bank plc, selling agents: Hazzard & Co Kernden office, sellers: Jonathan and Mary Onawayo, sellers' solicitors: Cazbeard & Co, Hallersham office).

You have had a structural survey undertaken, which reveals the garage at the property has an asbestos roof. The sellers have undertaken to have the structure removed, the site cleared, and a tarmac surface laid, all before completion. You explain that, on viewing the property you became aware that the Onawayo's adult son also lives at the property. The survey also reveals that the property's waste drains to a septic tank on the property.

Both sellers and buyers have related transactions.

You advise that the balance of any costs will come from your own savings.

Costs estimated at £650 plus VAT on purchase, £600 plus VAT on sale. Disbursements explained and estimated. £250 received on account. Client care letter provided and receipted copy on file.

**P.T.O.**



## DOCUMENT 2

### CONTRACT Incorporating the Standard Condition of sale (Fourth Edition)

---

Agreement date:

Seller: Jonathan Onawayo and Mary Onawayo of 63 Angton Drive,  
Kernden, Marfordshire, MA14 8LG.

Buyer: George Mann and Constanza Antonnelli both 43 Norman  
Road, Nearhill, Hampdenshire FH13 7AW.

Property: 63 Angton Drive, Kernden, Marfordshire, MA14 8LG.  
(Freehold/Leasehold)

Root of Title/Title Number: JT 67235

Specified Incumbrances: Those matters referred to in the charges register of the  
above title save for financial charges.

Title Guarantee: The seller sells with full title guarantee  
(full/limited)

Completion Date:

Contract Rate: 5% above the base rate of Barclays Bank plc from time to  
time in force.

Purchase Price £260,000

Deposit: £26,000

Chattels price: nil  
(if separate)

Balance: £224,000

**P.T.O.**





**STANDARD CONDITIONS OF SALE (FOURTH EDITION)**  
**(NATIONAL CONDITIONS OF SALE 24th EDITION, LAW SOCIETY'S CONDITIONS OF SALE 2003)**

- 1. GENERAL**
- 1.1 Definitions**
- 1.1.1 In these conditions:**
- (a) "accrued interest" means:
- (i) if money has been placed on deposit or in a building society share account, the interest actually earned;
- (ii) otherwise, the interest which might reasonably have been earned by depositing the money at interest on seven days' notice of withdrawal with a clearing bank less, in either case, any proper charges for handling the money;
- (b) "chattels price" means any separate amount payable for chattels included in the contract;
- (c) "clearing bank" means a bank which is a shareholder in CHAPS Clearing Co. Limited;
- (d) "completion date" has the meaning given in condition 6.1.1;
- (e) "contract rate" means the Law Society's interest rate from time to time in force;
- (f) "conveyancer" means a solicitor, barrister, duly certified notary public, licensed conveyancer or recognised body under sections 9 or 23 of the Administration of Justice Act 1985;
- (g) "direct credit" means a direct transfer of cleared funds to an account nominated by the seller's conveyancer and maintained by a clearing bank;
- (h) "lease" includes sub-lease, tenancy and agreement for a lease or sub-lease;
- (i) "notice to complete" means a notice requiring completion of the contract in accordance with condition 6;
- (j) "public requirement" means any notice, order or proposal given or made (whether before or after the date of the contract) by a body acting on statutory authority;
- (k) "requisition" includes objection;
- (l) "transfer" includes conveyance and assignment;
- (m) "working day" means any day from Monday to Friday (inclusive) which is not Christmas Day, Good Friday or a statutory Bank Holiday.
- 1.1.2** In these conditions the terms "absolute title" and "official copies" have the special meanings given to them by the Land Registration Act 2002.
- 1.1.3** A party is ready, able and willing to complete:
- (a) if he could be, but for the default of the other party, and
- (b) in the case of the seller, even though the property remains subject to a mortgage, if the amount to be paid on completion enables the property to be transferred freed of all mortgages (except any to which the sale is expressly subject).
- 1.1.4** These conditions apply except as varied or excluded by the contract.
- 1.2 Joint parties**
- If there is more than one seller or more than one buyer, the obligations which they undertake can be enforced against them all jointly or against each individually.
- 1.3 Notices and documents**
- 1.3.1** A notice required or authorised by the contract must be in writing.
- 1.3.2** Giving a notice or delivering a document to a party's conveyancer has the same effect as giving or delivering it to that party.
- 1.3.3** Where delivery of the original document is not essential, a notice or document is validly given or sent if it is sent:
- (a) by fax, or
- (b) by e-mail to an e-mail address for the intended recipient given in the contract.
- 1.3.4** Subject to conditions 1.3.5 to 1.3.7, a notice is given and a document is delivered when it is received.
- 1.3.5** (a) A notice or document sent through a document exchange is received when it is available for collection
- (b) A notice or document which is received after 4.00pm on a working day, or on a day which is not a working day, is to be treated as having been received on the next working day
- (c) An automated response to a notice or document sent by e-mail that the intended recipient is out of the office is to be treated as proof that the notice or document was not received.
- 1.3.6** Condition 1.3.7 applies unless there is proof:
- (a) that a notice or document has not been received, or
- (b) of when it was received.
- 1.3.7** A notice or document sent by the following means is treated as having been received as follows:
- (a) by first-class post: before 4.00pm on the second working day after posting
- (b) by second-class post: before 4.00pm on the third working day after posting
- (c) through a document exchange: before 4.00pm on the first working day after the day on which it would normally be available for collection by the addressee
- (d) by fax: one hour after despatch
- (e) by e-mail: before 4.00pm on the first working day after despatch.
- 1.4 VAT**
- 1.4.1** An obligation to pay money includes an obligation to pay any value added tax chargeable in respect of that payment.
- 1.4.2** All sums made payable by the contract are exclusive of value added tax.
- 1.5 Assignment**
- The buyer is not entitled to transfer the benefit of the contract.
- 2. FORMATION**
- 2.1 Date**
- 2.1.1** If the parties intend to make a contract by exchanging duplicate copies by post or through a document exchange, the contract is made when the last copy is posted or deposited at the document exchange.
- 2.1.2** If the parties' conveyancers agree to treat exchange as taking place before duplicate copies are actually exchanged, the contract is made as so agreed.
- 2.2 Deposit**
- 2.2.1** The buyer is to pay or send a deposit of 10 per cent of the total of the purchase price and the chattels price no later than the date of the contract.
- 2.2.2** If a cheque tendered in payment of all or part of the deposit is dishonoured when first presented, the seller may, within seven working days of being notified that the cheque has been dishonoured, give notice to the buyer that the contract is discharged by the buyer's breach.
- 2.2.3** Conditions 2.2.4 to 2.2.6 do not apply to a sale by auction.
- 2.2.4** The deposit is to be paid by direct credit or to the seller's conveyancer by a cheque drawn on a solicitor's or licensed conveyancer's client account.
- 2.2.5** If before completion date the seller agrees to buy another property in England and Wales for his residence, he may use all or any part of the deposit as a deposit in that transaction to be held on terms to the same effect as this condition and condition 2.2.6.
- 2.2.6** Any deposit or part of a deposit not being used in accordance with condition 2.2.5 is to be held by the seller's conveyancer as stakeholder on terms that on completion it is paid to the seller with accrued interest.
- 2.3 Auctions**
- 2.3.1** On a sale by auction the following conditions apply to the property and, if it is sold in lots, to each lot.
- 2.3.2** The sale is subject to a reserve price.
- 2.3.3** The seller, or a person on his behalf, may bid up to the reserve price.
- 2.3.4** The auctioneer may refuse any bid.
- 2.3.5** If there is a dispute about a bid, the auctioneer may resolve the dispute or restart the auction at the last undisputed bid.
- 2.3.6** The deposit is to be paid to the auctioneer as agent for the seller.
- 3. MATTERS AFFECTING THE PROPERTY**
- 3.1 Freedom from incumbrances**
- 3.1.1** The seller is selling the property free from incumbrances, other than those mentioned in condition 3.1.2.
- 3.1.2** The incumbrances subject to which the property is sold are:
- (a) those specified in the contract
- (b) those discoverable by inspection of the property before the contract
- (c) those the seller does not and could not reasonably know about
- (d) entries made before the date of the contract in any public register except those maintained by the Land Registry or its Land Charges Department or by Companies House
- (e) public requirements.
- 3.1.3** After the contract is made, the seller is to give the buyer written details without delay of any new public requirement and of anything in writing which he learns about concerning a matter covered by condition 3.1.2.
- 3.1.4** The buyer is to bear the cost of complying with any outstanding public requirement and is to indemnify the seller against any liability resulting from a public requirement.
- 3.2 Physical state**
- 3.2.1** The buyer accepts the property in the physical state it is in at the date of the contract unless the seller is building or converting it.
- 3.2.2** A leasehold property is sold subject to any subsisting breach of a condition or tenant's obligation relating to the physical state of the property which renders the lease liable to forfeiture.
- 3.2.3** A sub-lease is granted subject to any subsisting breach of a condition or tenant's obligation relating to the physical state of the property which renders the seller's own lease liable to forfeiture.
- 3.3 Leases affecting the property**
- 3.3.1** The following provisions apply if any part of the property is sold subject to a lease.
- 3.3.2** (a) The seller having provided the buyer with full details of each lease or copies of the documents embodying the lease terms, the buyer is treated as entering into the contract knowing and fully accepting those terms.
- (b) The seller is to inform the buyer without delay if the lease ends or if the seller learns of any application by the tenant in connection with the lease; the seller is then to act as the buyer reasonably directs, and the buyer is to indemnify him against all consequent loss and expense.
- (c) Except with the buyer's consent, the seller is not to agree to any proposal to change the lease terms nor to take any step to end the lease.
- (d) The seller is to inform the buyer without delay of any change to the lease terms which may be proposed or agreed.
- (e) The buyer is to indemnify the seller against all claims arising from the lease after actual completion; this includes claims which are unenforceable against a buyer for want of registration.
- (f) The seller takes no responsibility for what rent is lawfully recoverable, nor for whether or how any legislation affects the lease.
- (g) If the let land is not wholly within the property, the seller may apportion the rent.
- 3.4 Retained land**
- Where after the transfer the seller will be retaining land near the property:
- (a) the buyer will have no right of light or air over the retained land, but
- (b) in other respects the seller and the buyer will each have the rights over the land of the other which they would have had if they were two separate buyers to whom the seller had made simultaneous transfers of the property and the retained land.
- The transfer is to contain appropriate express terms.
- 4. TITLE AND TRANSFER**
- 4.1 Proof of title**
- 4.1.1** Without cost to the buyer, the seller is to provide the buyer with proof of the title to the property and of his ability to transfer it, or to procure its transfer.
- 4.1.2** Where the property has a registered title the proof is to include official copies of the items referred to in rules 134(1)(a) and (b) and 135(1)(a) of the Land Registration Rules 2003, so far as they are not to be discharged or overridden at or before completion.
- 4.1.3** Where the property has an unregistered title, the proof is to include:
- (a) an abstract of title or an epitome of title with photocopies of the documents, and
- (b) production of every document or an abstract, epitome or copy of it with an original marking by a conveyancer either against the original or an examined abstract or an examined copy.
- 4.2 Requisitions**
- 4.2.1** The buyer may not raise requisitions:
- (a) on the title shown by the seller taking the steps described in condition 4.1.1 before the contract was made
- (b) in relation to the matters covered by condition 3.1.2.
- 4.2.2** Notwithstanding condition 4.2.1, the buyer may, within six working days of a matter coming to his attention after the contract was made, raise written requisitions on that matter. In that event, steps 3 and 4 in condition 4.3.1 apply.
- 4.2.3** On the expiry of the relevant time limit under condition 4.2.2 or condition 4.3.1, the buyer loses his right to raise requisitions or to make observations.
- 4.3 Timetable**
- 4.3.1** Subject to condition 4.2 and to the extent that the seller did not take the steps described in condition 4.1.1 before the contract was made, the following are the steps for deducing and investigating the title to the property to be taken within the following time limits:
- | Step   | Time Limit   |
|--|--|
| 1. The seller is to comply with condition 4.1.1                    | Immediately after making the contract  |
| 2. The buyer may raise written requisitions                        | Six working days after either the date of the contract or the date of delivery of the seller's proof of title on which the requisitions are raised, whichever is the later |
| 3. The seller is to reply in writing to any requisitions raised    | Four working days after receiving the requisitions   |
| 4. The buyer may make written observations on the seller's replies | Three working days after receiving the replies   |
- The time limit on the buyer's right to raise requisitions applies even where the seller supplies incomplete evidence of his title, but the buyer may, within six working days from delivery of any further evidence, raise further requisitions resulting from that evidence.
- 4.3.2** The parties are to take the following steps to prepare and agree the transfer of the property within the following time limits:
- | Step  | Time Limit   |
|---|--|
| A. The buyer is to send the seller a draft transfer   | At least twelve working days before completion date    |
| B. The seller is to approve or revise that draft and either return it or retain it for use as the actual transfer | Four working days after delivery of the draft transfer |
| C. If the draft is returned the buyer is to send an engrossment to the seller                                     | At least five working days before completion date      |
- Periods of time under conditions 4.3.1 and 4.3.2 may run concurrently.
- 4.3.4** If the period between the date of the contract and completion date is less than 15 working days, the time limits in conditions 4.2.2, 4.3.1 and 4.3.2 are to be reduced by the same proportion as that period bears to the period of 15 working days. Fractions of a working day are to be rounded down except that the time limit to perform any step is not to be less than one working day.
- 4.4 Defining the property**
- 4.4.1** The seller need not:
- (a) prove the exact boundaries of the property
- (b) prove who owns fences, ditches, hedges or walls
- (c) separately identify parts of the property with different titles
- further than he may be able to do from information in his possession.
- 4.4.2** The buyer may, if it is reasonable, require the seller to make or obtain, pay for and hand over a statutory declaration about facts relevant to the matters mentioned in condition 4.4.1. The form of the declaration is to be agreed by the buyer, who must not unreasonably withhold his agreement.
- 4.5 Rents and rentcharges**
- The fact that a rent or rentcharge, whether payable or receivable by the owner of the property, has been, or will on completion be, informally apportioned is not to be regarded as a defect in title.

- 4.6 **Transfer**
- 4.6.1 The buyer does not prejudice his right to raise requisitions, or to require replies to any raised, by taking any steps in relation to preparing or agreeing the transfer.
- 4.6.2 Subject to condition 4.6.3, the seller is to transfer the property with full title guarantee.
- 4.6.3 The transfer is to have effect as if the disposition is expressly made subject to all matters covered by condition 3.1.2.
- 4.6.4 If after completion the seller will remain bound by any obligation affecting the property which was disclosed to the buyer before the contract was made, but the law does not imply any covenant by the buyer to indemnify the seller against liability for future breaches of it:
- the buyer is to covenant in the transfer to indemnify the seller against liability for any future breach of the obligation and to perform it from then on, and
  - if required by the seller, the buyer is to execute and deliver to the seller on completion a duplicate transfer prepared by the buyer.
- 4.6.5 The seller is to arrange at his expense that, in relation to every document of title which the buyer does not receive on completion, the buyer is to have the benefit of:
- a written acknowledgement of his right to its production, and
  - a written undertaking for its safe custody (except while it is held by a mortgagee or by someone in a fiduciary capacity).
5. **PENDING COMPLETION**
- 5.1 **Responsibility for property**
- 5.1.1 The seller will transfer the property in the same physical state as it was at the date of the contract (except for fair wear and tear), which means that the seller retains the risk until completion.
- 5.1.2 If at any time before completion the physical state of the property makes it unusable for its purpose at the date of the contract:
- the buyer may rescind the contract
  - the seller may rescind the contract where the property has become unusable for that purpose as a result of damage against which the seller could not reasonably have insured, or which it is not legally possible for the seller to make good.
- 5.1.3 The seller is under no obligation to the buyer to insure the property.
- 5.1.4 Section 47 of the Law of Property Act 1925 does not apply.
- 5.2 **Occupation by buyer**
- 5.2.1 If the buyer is not already lawfully in the property, and the seller agrees to let him into occupation, the buyer occupies on the following terms.
- 5.2.2 The buyer is a licensee and not a tenant. The terms of the licence are that the buyer:
- cannot transfer it
  - may permit members of his household to occupy the property
  - is to pay or indemnify the seller against all outgoing and other expenses in respect of the property
  - is to pay the seller a fee calculated at the contract rate on a sum equal to the purchase price and the chattels price (less any deposit paid) for the period of the licence
  - is entitled to any rents and profits from any part of the property which he does not occupy
  - is to keep the property in as good a state of repair as it was in when he went into occupation (except for fair wear and tear) and is not to alter it
  - is to insure the property in a sum which is not less than the purchase price against all risks in respect of which comparable premises are normally insured
  - is to quit the property when the licence ends.
- 5.2.3 On the creation of the buyer's licence, condition 5.1 ceases to apply, which means that the buyer then assumes the risk until completion.
- 5.2.4 The buyer is not in occupation for the purposes of this condition if he merely exercises rights of access given solely to do work agreed by the seller.
- 5.2.5 The buyer's licence ends on the earliest of: completion date, rescission of the contract or when five working days' notice given by one party to the other takes effect.
- 5.2.6 If the buyer is in occupation of the property after his licence has come to an end and the contract is subsequently completed he is to pay the seller compensation for his continued occupation calculated at the same rate as the fee mentioned in condition 5.2.2(d).
- 5.2.7 The buyer's right to raise requisitions is unaffected.
6. **COMPLETION**
- 6.1 **Date**
- 6.1.1 Completion date is twenty working days after the date of the contract but time is not of the essence of the contract unless a notice to complete has been served.
- 6.1.2 If the money due on completion is received after 2.00pm, completion is to be treated, for the purposes only of conditions 6.3 and 7.3, as taking place on the next working day as a result of the buyer's default.
- 6.1.3 Condition 6.1.2 does not apply and the seller is treated as in default if:
- the sale is with vacant possession of the property or any part of it, and
  - the buyer is ready, able and willing to complete but does not pay the money due on completion until after 2.00pm because the seller has not vacated the property or that part by that time.
- 6.2 **Arrangements and place**
- 6.2.1 The buyer's conveyancer and the seller's conveyancer are to co-operate in agreeing arrangements for completing the contract.
- 6.2.2 Completion is to take place in England and Wales, either at the seller's conveyancer's office or at some other place which the seller reasonably specifies.
- 6.3 **Apportionments**
- 6.3.1 Income and outgoing of the property are to be apportioned between the parties so far as the change of ownership on completion will affect entitlement to receive or liability to pay them.
- 6.3.2 If the whole property is sold with vacant possession or the seller exercises his option in condition 7.3.4, apportionment is to be made with effect from the date of actual completion; otherwise, it is to be made from completion date.
- 6.3.3 In apportioning any sum, it is to be assumed that the seller owns the property until the end of the day from which apportionment is made and that the sum accrues from day to day at the rate at which it is payable on that day.
- 6.3.4 For the purpose of apportioning income and outgoing, it is to be assumed that they accrue at an equal daily rate throughout the year.
- 6.3.5 When a sum is to be apportioned is not known or easily ascertainable at completion, a provisional apportionment is to be made according to the best estimate available. As soon as the amount is known, a final apportionment is to be made and notified to the other party. Any resulting balance is to be paid no more than ten working days later, and if not then paid the balance is to bear interest at the contract rate from then until payment.
- 6.3.6 Compensation payable under condition 5.2.6 is not to be apportioned.
- 6.4 **Amount payable**
- The amount payable by the buyer on completion is the purchase price and the chattels price (less any deposit already paid to the seller or his agent) adjusted to take account of:
- apportionments made under condition 6.3
  - any compensation to be paid or allowed under condition 7.3.
- 6.5 **Title deeds**
- 6.5.1 As soon as the buyer has complied with all his obligations on completion the seller must hand over the documents of title.
- 6.5.2 Condition 6.5.1 does not apply to any documents of title relating to land being retained by the seller after completion.
- 6.6 **Rent receipts**
- The buyer is to assume that whoever gave any receipt for a payment of rent or service charge which the seller produces was the person or the agent of the person then entitled to that rent or service charge.
- 6.7 **Means of payment**
- The buyer is to pay the money due on completion by direct credit and, if appropriate, an unconditional release of a deposit held by a stakeholder.
- 6.8 **Notice to complete**
- 6.8.1 At any time on or after completion date, a party who is ready, able and willing to complete may give the other a notice to complete.
- 6.8.2 The parties are to complete the contract within ten working days of giving a notice to complete, excluding the day on which the notice is given. For this purpose, time is of the essence of the contract.
- 6.8.3 On receipt of a notice to complete:
- if the buyer paid no deposit, he is forthwith to pay a deposit of 10 per cent
  - if the buyer paid a deposit of less than 10 per cent, he is forthwith to pay a further deposit equal to the balance of that 10 per cent.
7. **REMEDIES**
- 7.1 **Errors and omissions**
- 7.1.1 If any plan or statement in the contract, or in the negotiations leading to it, is or was misleading or inaccurate due to an error or omission, the remedies available are as follows.
- 7.1.2 When there is a material difference between the description or value of the property, or of any of the chattels included in the contract, as represented and as it is, the buyer is entitled to damages.
- 7.1.3 An error or omission only entitles the buyer to rescind the contract:
- where it results from fraud or recklessness, or
  - where he would be obliged, to his prejudice, to accept property differing substantially (in quantity, quality or tenure) from what the error or omission had led him to expect.
- 7.2 **Rescission**
- If either party rescinds the contract:
- unless the rescission is a result of the buyer's breach of contract the deposit is to be repaid to the buyer with accrued interest
  - the buyer is to return any documents he received from the seller and is to cancel any registration of the contract.
- 7.3 **Late completion**
- 7.3.1 If there is default by either or both of the parties in performing their obligations under the contract and completion is delayed, the party whose total period of default is the greater is to pay compensation to the other party.
- 7.3.2 Compensation is calculated at the contract rate on an amount equal to the purchase price and the chattels price, less (where the buyer is the paying party) any deposit paid, for the period by which the paying party's default exceeds that of the receiving party, or if shorter, the period between completion date and actual completion.
- 7.3.3 Any claim for loss resulting from delayed completion is to be reduced by any compensation paid under this contract.
- 7.3.4 Where the buyer holds the property as tenant of the seller and completion is delayed, the seller may give notice to the buyer, before the date of actual completion, that he intends to take the net income from the property until completion. If he does so, he cannot claim compensation under condition 7.3.1 as well.
- 7.4 **After completion**
- Completion does not cancel liability to perform any outstanding obligation under this contract.
- 7.5 **Buyer's failure to comply with notice to complete**
- 7.5.1 If the buyer fails to complete in accordance with a notice to complete, the following terms apply.
- 7.5.2 The seller may rescind the contract, and if he does so:
- he may
    - forfeit and keep any deposit and accrued interest
    - resell the property and any chattels included in the contract
    - claim damages
  - the buyer is to return any documents he received from the seller and is to cancel any registration of the contract.
- 7.5.3 The seller retains his other rights and remedies.
- 7.6 **Seller's failure to comply with notice to complete**
- 7.6.1 If the seller fails to complete in accordance with a notice to complete, the following terms apply.
- 7.6.2 The buyer may rescind the contract, and if he does so:
- the deposit is to be repaid to the buyer with accrued interest
  - the buyer is to return any documents he received from the seller and is, at the seller's expense, to cancel any registration of the contract.
- 7.6.3 The buyer retains his other rights and remedies.
8. **LEASEHOLD PROPERTY**
- 8.1 **Existing leases**
- 8.1.1 The following provisions apply to a sale of leasehold land.
- 8.1.2 The seller having provided the buyer with copies of the documents embodying the lease terms, the buyer is treated as entering into the contract knowing and fully accepting those terms.
- 8.1.3 The seller is to comply with any lease obligations requiring the tenant to insure the property.
- 8.2 **New leases**
- 8.2.1 The following provisions apply to a contract to grant a new lease.
- 8.2.2 The conditions apply so that:
- "seller" means the proposed landlord
  - "buyer" means the proposed tenant
  - "purchase price" means the premium to be paid on the grant of a lease.
- 8.2.3 The lease is to be in the form of the draft attached to the contract.
- 8.2.4 If the term of the new lease will exceed seven years, the seller is to deduce a title which will enable the buyer to register the lease at the Land Registry with an absolute title.
- 8.2.5 The seller is to engrass the lease and a counterpart of it and is to send the counterpart to the buyer at least five working days before completion date.
- 8.2.6 The buyer is to execute the counterpart and deliver it to the seller on completion.
- 8.3 **Consent**
- 8.3.1 (a) The following provisions apply if a consent to let, assign or sub-let is required to complete the contract
- (b) In this condition "consent" means consent in the form which satisfies the requirement to obtain it.
- 8.3.2 (a) The seller is to apply for the consent at his expense, and to use all reasonable efforts to obtain it
- (b) The buyer is to provide all information and references reasonably required
- 8.3.3 Unless he is in breach of his obligation under condition 8.3.2, either party may rescind the contract by notice to the other party if three working days before completion date (or before a later date on which the parties have agreed to complete the contract):
- the consent has not been given, or
  - the consent has been given subject to a condition to which a party reasonably objects
- In that case, neither party is to be treated as in breach of contract and condition 7.2 applies
9. **COMMONHOLD LAND**
- 9.1 Terms used in this condition have the special meanings given to them in Part 1 of the Commonhold and Leasehold Reform Act 2002.
- 9.2 This condition applies to a disposition of commonhold land.
- 9.3 The seller having provided the buyer with copies of the current versions of the memorandum and articles of the commonhold association and of the commonhold community statement, the buyer is treated as entering into the contract knowing and fully accepting their terms.
- 9.4 If the contract is for the sale of property which is or includes part only of a commonhold unit:
- the seller is to apply for the written consent of the commonhold association at his expense and is to use all reasonable efforts to obtain it
  - either the seller, unless he is in breach of his obligation under paragraph (a), or the buyer may rescind the contract by notice to the other party if three working days before completion date (or before a later date on which the parties have agreed to complete the contract) the consent has not been given. In that case, neither party is to be treated as in breach of contract and condition 7.2 applies
10. **CHATTELS**
- 10.1 The following provisions apply to any chattels which are included in the contract, whether or not a separate price is to be paid for them.
- 10.2 The contract takes effect as a contract for sale of goods.
- 10.3 The buyer takes the chattels in the physical state they are in at the date of the contract
- 10.4 Ownership of the chattels passes to the buyer on actual completion.

## **SPECIAL CONDITIONS**

---

1. (a) This contract incorporates the Standard Conditions of Sale (Fourth 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. The chattels which are on the property and are set out on any attached list are included in the sale and the buyer is to pay the chattels price for them.
4. The property is sold with vacant possession.  
(or)
- ~~4. The property is sold subject to the following leases or tenancies:~~
5. Standard Conditions 2.2.4 shall be amended so as to delete the words "by a cheque drawn on a solicitor's or licensed conveyancer's client account".
6. Standard Condition 6.1.2 shall be amended so as to replace "2.00pm" with "12 noon".
7. Standard Condition 7.4 shall be deleted.

Seller's Solicitors: Cazbeard & Co  
The Cornmarket  
Hallersham  
Marfordshire  
DX: Hallersham 57

Buyer's Solicitors: Maynard Specter  
199 Cambridge Road  
Marminster  
Marfordshire  
DX: Marminster 3

**P.T.O.**



## DOCUMENT 3

### OFFICIAL COPY OF REGISTER ENTRIES

This official copy shows the entries subsisting on the register on 28<sup>th</sup> May 2007 at 14.50  
**This date must be quoted as the 'search from date' in any official search application based on this copy.**  
Under s.67 of the Land Registration Act 2002, this copy is admissible in evidence to the same extent as the original.  
Issued on 28<sup>th</sup> May 2007  
This title is dealt with by Marfordshire District Land Registry

## Land Registry

Title Number : JT 67135

Edition Date : 12 July 1998

---

### A: Property Register

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

COUNTY	DISTRICT
MARFORDSHIRE	KERNDEN

1. (12 July 1998) The freehold land shown edged with red on the plan of the above Title filed at the Registry and being 63 Angton Drive, Kernden, Marfordshire, (MA14 8LG).

---

### 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. (23 October 1999) **PROPRIETOR: JONATHAN ONAWAYO** and **MARY MADIRI** both of 63 Angton Drive, Kernden, Marfordshire, (MA14 8LG).

NOTE: The transfer to the proprietor dated contains a covenant to observe and perform the covenants referred to in Entry No 1 of the Charges Register and for indemnity in respect thereof.

### C: Charges Register

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

1. (12 July 1998) A transfer of land in this title dated 23 June 1998 and made between (1) Hickson Construction Ltd and (2) Keith Granger and Eileen Granger contains covenants details of which are set out in the schedule of restrictive covenants hereto.

**P.T.O.**

2. (23 October 1999) **REGISTERED CHARGE** dated 1 October 1999 to secure the monies including the further advances therein mentioned.
3. (23 October 1999) **PROPRIETOR: HALLERSHAM BANK PLC** of The Cloisters, Bank Street, Hallersham, Marfordshire, MA13 9AB

#### **SCHEDULE OF RESTRICTIVE COVENANTS**

The transferee hereby covenants on behalf of himself and his successors in title and for the benefit of the transferor and his successors in title as follows:-

- a) To use the property only for purposes connected with residential use by one family;
- b) Not to park or store any boat, caravan or commercial vehicle at the property;
- c) Not to erect any building or structure at the property without the written consent of the transferee, which consent shall not unreasonably be withheld or delayed.

---

#### **END OF REGISTER**

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

**P.T.O.**



## DOCUMENT 4

Transfer of whole  
of registered title(s)

Land Registry

TR1

If you need more room than is provided for in a panel, use continuation sheet CS and attach to this form.

## 1. Stamp Duty

Place "X" in the appropriate box or boxes and complete the appropriate certificate.

- ☐ It is certified that this instrument falls within category ☐ in the Schedule to the Stamp Duty (Exempt Instruments) Regulations 1987
- ☐ It is certified that the transaction effected does not form part of a larger transaction or of a series of transactions in respect of which the amount or value or the aggregate amount or value of the consideration exceeds the sum of £
- ☐ It is certified that this is an instrument on which stamp duty is not chargeable by virtue of the provisions of section 92 of the Finance Act 2001

2. Title Number(s) of the Property *Leave blank if not yet registered.*

## 3. Property

## 4. Date

5. Transferor *Give full names and company's registered number if any.*

**6. Transferee for entry on the register** *Give full name(s) and company's registered number, if any. For Scottish companies use an SC prefix and for limited liability partnerships use an OC prefix before the registered number, if any. For foreign companies give territory in which incorporated.*

*Unless otherwise arranged with Land Registry headquarters, a certified copy of the Transferee's constitution (in English or Welsh) will be required if it is a body corporate but is not a company registered in England and Wales or Scotland under the Companies Acts.*

**7. Transferee's intended address(es) for service (including postcode) for entry on the register** *You may give up to three addresses for service **one** of which **must** be a postal address but does not have to be within the UK. The other addresses can be any combination of a postal address, a box number at a UK document exchange or an electronic address.*

**8. The Transferor transfers the Property to the Transferee**

**9. Consideration** Place "X" in the appropriate box. State clearly the currency unit if other than sterling. If none of the boxes applies, insert an appropriate memorandum in the additional provisions panel.

☐ The Transferor has received from the Transferee for the Property the sum of *In words and figures.*

☐ *Insert other receipt as appropriate.*

☐ The transfer is not for money or anything which has a monetary value

**10. The Transferor transfers with** Place "X" in the appropriate box and add any modifications.

☐ full title guarantee      ☐ limited title guarantee

**11. Declaration of trust** Where there is more than one Transferee, place "X" in the appropriate box.

☐ The Transferees are to hold the Property on trust for themselves as joint tenants

☐ The Transferees are to hold the Property on trust for themselves as tenants in common in equal shares

☐ The Transferees are to hold the Property *Complete as necessary.*

**12. Additional provisions** Insert here any required or permitted statements, certificates or applications and any agreed covenants, declarations, etc.

**13. Execution** The Transferor must execute this transfer as a deed using the space below. If there is more than one Transferor, all must execute. Forms of execution are given in Schedule 9 to the Land Registration Rules 2003. If the transfer contains Transferee's covenants or declarations or contains an application by the Transferee (e.g. for a restriction), it must also be executed by the Transferee (all of them, if there is more than one).



## DOCUMENT 5

### EPITOME OF TITLE TO 27 CHALFONT STREET, HIGH MARSH, HAMPSHIRE, FH27 9RH

<u>No.</u>	<u>Date</u>	<u>Document</u>	<u>Parties</u>	<u>Original or copy</u>
1.	30 Aug 1963	Conveyance	(1) WE Green & Son Ltd (2) Maximilian Ford and Jane Helen Ford	Original
2.	30 Aug 1963	Legal Charge	(1) Maximilian Ford and Jane Helen Ford (2) Kerlow Building Society	Original
3.	20 Apr 1979	Death Cert.	(1) Maximilian Ford	Certified Copy
4.	18 Jun 1985	Deed of Gift	(1) Jane Helen Doughty (2) Jane Helen Doughty and Peter Doughty	Original
5.	20 Dec 1993	Death Cert.	(1) Jane Helen Doughty	Certified Copy
6.	14 April 2007	Death Cert.	(1) Peter Doughty	Certified Copy

We undertake that all original documents in our possession at that time will be handed over on completion.

**P.T.O.**



Candidate No.....

8 June 2007  
Conveyancing

**NOTES PAGE**  
**The Institute of Legal Executives**

During the 15 minutes reading time you may make notes on this notes page **ONLY**.

Write your candidate number in the place provided at the top of this page and securely attach these notes to your answer booklet at the end of the examination.

