16 June 2011 Level 3 CONVEYANCING Subject Code L3-10



# INSTITUTE OF LEGAL EXECUTIVES UNIT 10 – 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 <u>read</u> the question paper fully. However, you may make notes on the 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 ILEX 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 ball point 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 ILEX qualifications: LEVEL 3 CERTIFICATE IN LAW AND PRACTICE and LEVEL 3 PROFESSIONAL DIPLOMA IN LAW AND PRACTICE

### **Question 1**

Student Bounty Com Question relates to Documents 1 and 3 of the case stu-Reference: materials.

#### In relation to the sale of 68 The Ford

(a) Explain why Mr Lever's replies to the Seller's Property Information Form have to be accurate to the best of his knowledge and belief.

(6 marks)

The Buyers, Mr and Mrs Barnsbridge, have asked through their solicitor (b) whether your clients would accept a 5% deposit on exchange of contracts instead of the usual 10% deposit.

Draft the contents of a letter to your clients which explains the significance of this request and which seeks their instructions. (Your firm's letter heading is not required)

(10 marks)

- (c) At what stages of the transaction would you expect to:
  - (i) arrange for Mr Lever to execute Land Registry form TR1;

(2 marks)

(ii) pay Wade and Grayson their commission? How would this be funded?

(2 marks)

(Total: 20 marks)

#### **Question 2**

Question relates to **Documents 2 and 4** of the case materials.

## In relation to the purchase of 15 Hyde Avenue

Student Bounty.com (a) How would you ascertain legal responsibility for the maintenance of boundary fences as between the owner of 15 Hyde Avenue and adjoining owners?

(7 marks)

(b) List five examples of critical information which you would need to have in your possession before you could safely exchange contracts on the purchase of 15 Hyde Avenue. For each example state where you would expect to find that information.

(10 marks)

(c) Explain the general purpose of the CML Handbook and how you would use

(6 marks)

(d) Explain what entry you would expect the Land Registry to put on the title if your clients purchase as tenants in common and why.

(5 marks)

(Total: 28 marks)

#### **Question 3**

Student Bounty.com Question relates to Documents 2 and 3 of the case Reference:

materials and to the attached partially completed DS1.

Attachment: (Document A) partially completed Land Registry Form DS1.

# After Completion has taken place

(a) Explain why you would need to complete Form SDLT1 and how you would do this?

(6 marks)

(b) Fill in the missing information in boxes 1, 2, 4 and 5 of the attached Form DS1 (Document A) to provide evidence of the discharge of your client's existing mortgage.

Important: Write your candidate number clearly on Document A and attach it securely to your answer booklet.

(4 marks)

(c) Who would execute the Form DS1?

(1 mark)

(d) State the alternative way in which a discharged mortgage can be removed from the title register?

(1 mark)

(Total: 12 marks)

#### **Document A**

#### Candidate number:

DS1 form to be used with question 3b

# Land Registry Cancellation of entries relating to a registered charge

DS1

If you need more room than is provided for in a panel, and your software allows, you can expand any panel in the form. Alternatively use continuation sheet CS and attach it to this form.

	1	Title number(s) of the property:
		1 Mark
Insert address including postcode (if any) or other description of the property, for example 'land adjoining 2 Acacia Avenue'.	2	Property:
		1 Mark
	3	Date: DO NOT COMPLETE THIS BOX
Include register entry number, if more than one charge of same date to same lender.	4	Date of charge:
		1 Mark
	5	Lender:
		1 Mark
Complete as appropriate where the lender is a company.		For UK incorporated companies/LLPs
		Registered number of company or limited liability
		partnership including any prefix: XXXXXXXX
		For overseas companies XXXXXXXXX
		(a) Territory of incorporation:
		(b) Registered number in the United Kingdom
		including any prefix:
	6	The lander asknowledges that the property
	6	The lender acknowledges that the property identified in panel 2 is no longer charged as security for the payment of sums due under the charge
	7	Date of Land Registry facility letter (if any):
		DO NOT COMPLETE THIS BOX

The lender must execute this transfer as a deed using the space opposite. If there is more than one lender, all must execute. Forms of execution are given in Schedule 9 to the Land Registration Rules 2003.

Alternatively the lender may sign in accordance with the facility letter referred to in panel 7.

8 Execution

DO NOT COMPLETE THIS BOX

#### WARNING

If you dishonestly enter information or make a statement that you know is, or might be, untrue or misleading, and intend by doing so to make a gain for yourself or another person, or to cause loss or the risk of loss to another person, you may commit the offence of fraud under section 1 of the Fraud Act 2006, the maximum penalty for which is 10 years' imprisonment or an unlimited fine, or both.

Failure to complete this form with proper care may result in a loss of protection under the Land Registration Act 2002 if, as a result, a mistake is made in the register.

Under section 66 of the Land Registration Act 2002 most documents (including this form) kept by the registrar relating to an application to the registrar or referred to in the register are open to public inspection and copying. If you believe a document contains prejudicial information, you may apply for that part of the document to be made exempt using Form EX1, under rule 136 of the Land Registration Rules 2003.

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