

Contract for Sale 2019 Joe Thomas



Conveyancing

Conveyancing is the *process* of transferring ownership of immovable property from one person to another

Freehold title

Leasehold title

Background

Law Society Conditions of Sale

Balanced and fair to both

Familiarity

Investigate Title Vendor

Establish that vendor owns the property

Draft contract

Reply to Requisitions/Queries

Close sale

Investigate Title Purchaser

To ensure purchaser obtains good marketable title

Certify title to bank

Position up to 1st January 2019

Delivery of Title

General Condition 7 of 2017 Contract

Within seven working days.....deliver the documents necessary to
vouch the title

Freehold title

Conveyance for value

1st January 1990

1st January 2000

1st January 2010

Leasehold Title

Lease 1st January 1900 for 999 years

Assignment for value

1st January 1990

1st January 2000

1st January 2010

Pre Contract Enquiries

Part of process of purchaser deciding if he will commit to purchase

Pre-Contract Requisitions

VAT

Multi-Unit Developments

Access

Services

Homebond

LPT

Objections and Requisitions

General Condition 17 2017 Contract

Series of questions on title and non title matters

Ensure Purchaser receives title as per contract

Checklist for pre- completion matters and closing documents

Consultation with Profession

2016

Task Force Established

2018

Arguments for Change

Reflects practice

Duplication

Uniformity

Estate schemes

Move to eConveyancing

Avoid delays post contract

Arguments against

Dead Deal Costs

Outlay will not be recovered

Delay

Increases risk of gazumping

Disclosure of financial information

2019 Contract for Sale – Principal Changes

•New Definitions

“Accepts” insofar as the context admits means, as regards the Purchaser for the purposes of the Conditions, that the Purchaser has, and shall be deemed to have, acknowledged and satisfied himself as to the matter concerned prior to the Date of Sale and thereby has accepted and agreed to be bound by it and *“Accepted”* shall have a corresponding meaning

2019 Contract for Sale – Principal Changes

- **GC 6(b) –**

- The Purchaser Accepts that he has received copies of the documents specified, together with a standard set of the latest Requisitions on Title with replies, and the replies to such other Requisitions and Rejoinders as the Purchaser may have raised prior to the Date of Sale, and purchases with notice of those documents and replies.

2019 Contract for Sale – Principal Changes

- **GC 6(c)** - The Purchaser confirms that he has been afforded the opportunity to make any Requisitions and Rejoinders prior to the Date of Sale and he Accepts the title offered. No further or other Requisitions shall be made on the title shown by the Vendor pursuant to General Condition 6(b). Any subsequent Requisitions may only be raised in accordance with General Condition 7.
- **GC 6(d)** — Replies deemed to be given as of Date of Sale

2019 Contract for Sale – Principal Changes

•GC 7

- (a) on a matter of title which prior to the Date of Sale was not apparent from:
 - (i) the Particulars, the Special Conditions or the documents and information provided to the Purchaser pursuant to General Condition 6 or otherwise, or
 - (ii) an inspection of the Subject Property, or
 - (iii) an inspection of the Planning Register or the searches (if any) furnished to the Purchaser
- was not otherwise known to the Purchaser prior to the Date of Sale.

2019 Contract for Sale – Principal Changes

•GC9 - Leasehold Title

- (a) Where the whole or any part of the Subject Property is stated in the Particulars or in the Special Conditions to be held under a Lease, the Purchaser Accepts it was well and validly made, and is a valid and subsisting Lease.
- Vendor obligation to use reasonable endeavours to obtain landlord consent

2019 Contract for Sale – Principal Changes

•GC 18 – LEASES

22.18. Where the Subject Property is sold subject to any Lease, the Vendor confirms that a copy of the same (or, if the provisions thereof have not been reduced to writing, such evidence of its nature and terms as the Vendor shall be able to supply) together with copies of any notices in the Vendor's possession served by or on the lessee (and of continuing and material relevance) have been provided to the Purchaser prior to the Date of Sale, be made available for inspection by the Purchaser or his solicitor.

2019 Contract for Sale – Additional Changes

- **GC13&14– Rights – Liabilities – Condition of Subject Property**
- GC 13, Pre-Contract the Vendor must have disclosed all easements, rights and other matters (called “*Relevant Provisions*”) known by the Vendor to affect the Property and likely to affect it after Completion.
- Subject to the Vendor having made such disclosure, in GC 14, the Purchaser Accepts that he buys subject to the Relevant Provisions, and on notice of the state and condition of the Property etc. per the 2017 Conditions.

Why does it take so long

Title

Registration

Planning

Building Control

Services

Maps

Loan

Tax

Thank You