



**CERTIFICATES OF
TITLE IN RELATION
TO HOUSES IN THE
COURSE OF
CONSTRUCTION**

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A solicitor who is giving a Certificate of Title undertakes to furnish an Engineer's or Architect's Declaration that the property in question has been erected in accordance with the Planning Permission granted.

In the case of a house in the course of construction a solicitor cannot undertake this and where the lending institution is paying out the loan by instalments the solicitor's Undertaking to the lending institution should be amended accordingly.

If the undertaking to the lending institution is not amended and if a practitioner pays out a loan cheque or any instalment of a loan to his client before the house is completed he is at risk if there is a failure by his client to comply with the planning permission granted.

**NEW HOUSE
GRANTS**

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The Conveyancing Committee's attention has been drawn to the fact that under the 1990 Housing (New House Grant) Regulations (Statutory Instrument No. 34 of April 1990) it is an integral condition of the scheme that the house in respect of which a Grant is being paid to a first time purchaser of a new house must be built by a contractor holding a Tax Clearance Certificate or a current Form C2. When solicitors are advising first time purchasers of new houses who would be eligible for the grant, they should alert them to the above conditions.

The clients should be advised that the conditions are set out in the explanatory memorandum which is issued to each applicant with the new house grant application form. Bearing in mind that most purchasers will be relying on the payment of the grant to enable them to complete the purchase, it would appear that a solicitor must advise a purchaser to check that the builder has the necessary documentation before entering into the contract. If the builder does not, then the purchaser should insist that the contract is conditional on the builder getting the necessary documentation to enable them to get provisional approval and payment of the grant prior to completion of the purchase.

**DOCTRINE OF
CAVEAT EMPTOR
WITH REGARD TO
THE STRUCTURE OF
A PROPERTY**

The attention of practitioners is drawn to the Practice Note on this topic published by the Conveyancing Committee in the March, 1992 edition of the Gazette (and which is reproduced at page 13.39 hereof)