

**CERTIFICATES
OF TITLE**

their own solicitors investigate and report on title, was introduced, it clearly was envisaged that Certificates of Title would be accepted without objection or enquiry save in instances where borrowers' solicitors have qualified titles.

Before issuing Certificates of Title, there is a clear obligation on borrowers' solicitors to conduct a thorough investigation of title to enable them properly to certify that borrowers have acquired good marketable title to the properties in question having due regard to the current guideline requirements of the relevant lenders.

The responsibility of lenders' solicitors is limited to taking the necessary steps to perfect the lenders' security to the properties in question. In practice, this generally merely involves the lenders' solicitors attending to the stamping and registration of the borrowers' Deeds of Assurance and Charge unless such stamping and registration have already been completed by borrowers' solicitors.

Accordingly lenders' solicitors should not go behind properly completed Certificates of Title presented to them unless, as already indicated, borrowers' titles are being qualified in any manner. The standard Certificate of Title form consciously was drawn to include provision for the insertion by borrowers' solicitors of a qualification of title which could be accepted or rejected by lenders.

In fact, not having investigated the titles in question, lenders' solicitors would be seen to be intermeddling and putting themselves on notice of matters which could be to the detriment of their lender clients in the event of any action or proceedings being taken in relation to such Certificates of Title.

By accepting properly completed Certificates of Title, lenders' solicitors ensure that the responsibility for and any liability arising in respect of Certificates of Title will lie, where it properly belongs, with borrowers' solicitors.

The Conveyancing Committee recommends that where Vendors' Solicitors desire their clients to avoid the expense of bridging loan finance to provide funds to discharge any

UPDATE: This Practice Note should be read in conjunction with the current Certificate of Title documentation as issued by the Law Society in agreement with the lenders and also in conjunction with the Practice Notes at pages 11.29 and 11.31 hereof.