

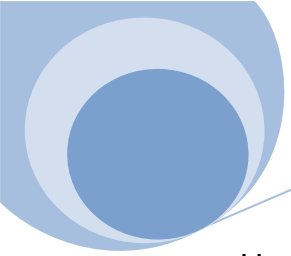
A GUIDE TO CONVEYANCING ON THE ISLE OF MAN

The procedure commonly referred to as conveyancing involves the process of either selling or purchasing a property. An important decision to make when buying or selling a property is to ensure that you instruct a firm of advocates that you feel comfortable with. It is important that you feel that you can contact the individual dealing with your sale or purchase whenever you have an issue or a concern. We will keep you fully informed of the progress we make on your sale or purchase and will be available to deal with any queries you have throughout the process. We aim to be approachable and friendly, allowing you to feel comfortable contacting us when you need to.

In order to progress your sale or purchase quickly and efficiently, we will correspond with the other parties in the sale or purchase on your behalf, for example the other party's advocates, the estate agent and the bank if you require a mortgage. This allows us to advance the matter whilst at the same time reducing the stress of the sale or purchase on you.

The conveyancing process on the Isle of Man is currently going through a period of change. Most of the land on the Isle of Man is not registered but from the 1st December 2009, all land purchased on the Island is to be registered with the Land Registry. This will not initially affect you as a purchaser or a seller if your land has not previously been registered. However, the documents you provide to your advocate after the land has been registered will be different to the documents currently provided to them if the land is not registered.

As it stands, as most of the land on the Island is not registered, if you want to sell your property, you will currently usually provide your advocate with an Abstract of Title for the property. This is a bundle of all the documents relating to the property.

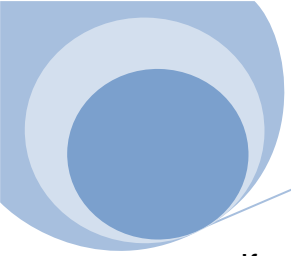


However, from the 1st December 2009, all land on the Island will be registered when conveyed. As such, if you purchase land after this date, once the purchase is complete, you will be provided with a document called the Office Copy of Title. This document will replace the Abstract of Title and will contain relevant information in relation to the title of the property. It is important that you keep this document in a safe place, as you will need to provide it to your advocate when the property is sold at a future date.

Once you provide your advocate with either the Abstract of Title, for unregistered land or the Office Copy of Title, for registered land, your advocate will conduct a number of searches on the property.

The next step in the process is to go through relevant documentation with you, for example the Agreement for Sale. This is the contract between you and the other party. The purchaser will pay a deposit when entering into contract with the seller. This is normally 10% of the sale price, but this amount can be negotiated. Once you enter into contract with the other party, you are obliged to complete the sale or purchase. If you are purchasing a property and you do not complete after entering into contract with the seller, the seller is entitled to keep the deposit you have already paid. As such, it is important that you are sure you want to proceed with the purchase before you exchange contracts.

It is normal practice to insert a completion date for the sale or the purchase in the Agreement for Sale. With this date in mind, if you are obtaining a mortgage to help you purchase a property, we will normally ask you to come into our office so that we may go through the mortgage papers and sign the documents to obtain the money from the bank. If you are selling a property, it may be that you still owe the bank a sum of money from the mortgage when you purchased the property, and need to pay this off with the sale monies. We will be able to organise this on your behalf too.



If you are purchasing a property, once we have the purchase money in our account, we will be able to complete the purchase of the property on your behalf. Once we provide the seller's advocate with the purchase monies, they will provide us with a Deed of Conveyance, if the land is unregistered, or the equivalent land registry form for registered land. If we are provided with the Deed of Conveyance, we will require you to sign this before we provide you with the keys to the property. The Deed will then be registered and we will provide you with the Office Copy of Title at a later date.

If you are selling a property, and the land is unregistered, we will require you to sign the Deed of Conveyance. Once this document is signed, and you provide us with the keys to the property, we will be in a position to complete. On completion, we will receive from the purchaser the money for the sale price. We can arrange with you how you want us to transfer this money to you, either by cheque or by electronic transfer. We will also arrange to pay any fees you owe, for example estate agent fees or legal fees.

It is common for a conveyance to take between 8-10 weeks to complete. This is a general guide and it may be that we can do it in a shorter time period or a longer time period, depending on your requirements and the individual property.

If you would like any further information regarding a sale or a purchase, please feel free to speak with Martin Paterson of this office on 01624 639350 or e-mail martinpaterson@mannbenham.com .