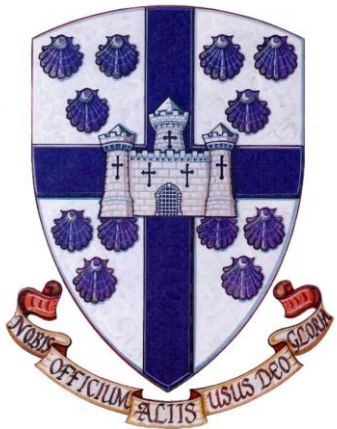


Methodist
Property;
how to
streamline
transactions &
improve
efficiency

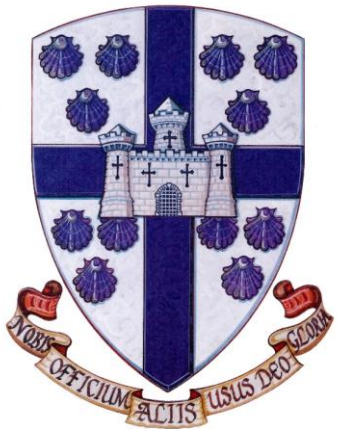




Introduction



- Use of the Panel of Solicitors
- Common issues TMCP are seeing that affect transactions



What's Next?



Aims:

Streamline the most common and straightforward transactions:

- Manse sales and purchases
- Church sales
- Short term leases

Objectives:

- Reduce total time spent on a transaction when a buyer/tenant has been found
- Speed up response times
- Transactions to be more cost effective and fixed fee driven



How?



- Front loading – more preparation is required at the very start of a transaction.
- TMCP and Managing Trustees need to engage from the very start to ensure that ‘pre instruction’ matters are all in place. Use of the “check ins”
- Precedent Documents including contracts, transfers, leases.
- Collaboration between TMCP, the Panel of Solicitors and Managing Trustees.
- Wider sharing of “know how” and experience of the Panel of Solicitors



Six stages of sales



TMCP have looked at a sale transaction to show you how this process may work. The process has been split into six stages:

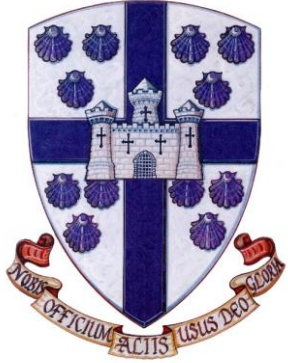
- Pre-marketing
- Marketing
- Buyer found
- Conveyancing process (when instruct solicitor)
- Exchange of contracts
- Completion



Pre-marketing (1)



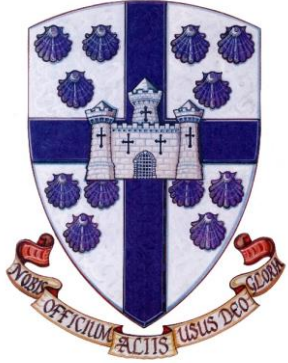
Step	Managing Trustees	TMCP	Managing Trustees' Surveyor
1. Managing Trustees make decision to sell	Notify TMCP Provide Check-in One information.		
		Provide Check-in One Guidance to Managing Trustees Charity Law and Methodist Law and Policy requirements Title issues Initial issues to raise with professional advisers Provide Surveyor Instruction Notes	
	Log project on the Property Consents Website.		



Check-in One information



- Confirm Managing Trustees considered questions in Connexional Property Strategy and that sale is the only option
- Provide Title Register/any title documents
- Confirm if any part of the property has ever been used as a burial ground.
- Notify TMCP of any issues that need to be addressed or concerns you may have. [See First Legal Steps on a property project chart document available on the TMCP website.](#)



Check-in One Guidance



TMCP to provide guidance by email/telephone call.

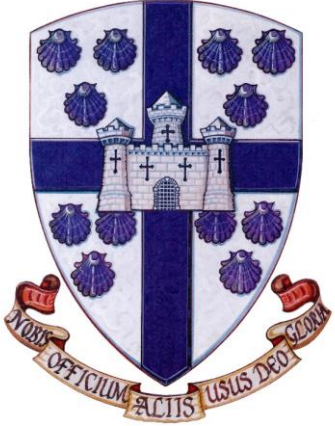
- Charity law and Methodist law and policy requirements [See property page on TMCP website.](#)
- Title Check – Is property registered correctly at HMLR? Are there are any issues to draw to surveyor’s attention or obtain initial solicitor’s advice on?
- Guidance on any issues that need to be referred to the surveyor when they produce the QSR. **“Surveyor Instruction Note”**



Pre-marketing (2)



Step	Managing Trustees	TMCP	Managing Trustees' Surveyor
2. Instruct surveyor	Instruct surveyor to prepare QSR		
			Prepare QSR
	Send QSR once prepared to TMCP for approval Upload QSR onto Property Consents Website.		
		Approve QSR Refer any questions back to surveyor	
	Follow any pre-marketing advice recommended by surveyor		
	<i>IF marketing advice withheld until pre-marketing steps taken.</i> Refer back to surveyor once steps completed.	Confirm any additional advice satisfactory.	<i>If contingent on pre-marketing steps being taken.</i> Confirm marketing advice



Title Issues



If TMCP identify issues we will refer to Capsticks. Examples of common title issues are:

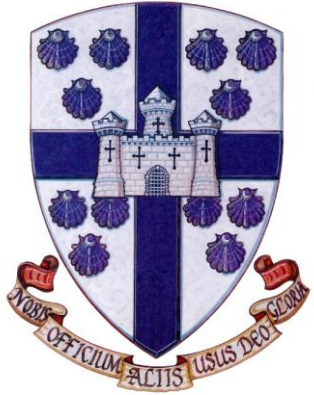
- TMCP not registered as the owner of the property. This can be rectified by a simple application to the Land Registry by Capsticks
- Whole or part of the title is not registered at the Land Registry. Proactive first registration applications are advised to identify any title issues and to avoid lengthy delays.
- Titles can include restrictions on use which may affect marketability and price. Legal advice on options to deal with these is essential (release, insurance or application to discharge)
- Rights of pre-emption may require the property to be offered to specified parties before being marketed – advice on process and options to seek a variation or release should be explored if this is not favourable



Marketing & Buyer Found



Step	Managing Trustees	TMCP	Managing Trustees' Surveyor
Marketing			
3. Place property on the market	Place property on market		
	Consider offers received		Advise Managing Trustees on offers received
<u>Buyer Found</u>			
4. Offer at best price obtained			Provide confirmation of best price and adequate marketing
	Send TMCP surveyor's confirmation of best price and adequate marketing "certificate of best price"	TMCP approve certificate of best price	
5. Offer accepted	Notify TMCP. Provide Check-in Two information		
		TMCP Provide Check-in Two Guidance to Managing Trustees and help Managing Trustees complete Panel Instruction Questionnaire	

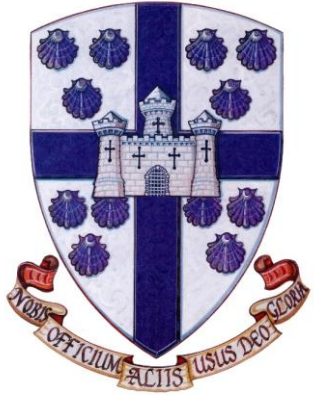


Check in Two - Information



Confirm:

- Names of the two nominated and duly authorised MTs to be named in the legal documents
- Whether the Managing Trustees are aware of any connection under Section 118 of the Charities Act 2011 between any members of the Managing Trustee body and the buyer



Check in Two – Guidance and Panel Instruction Questionnaire



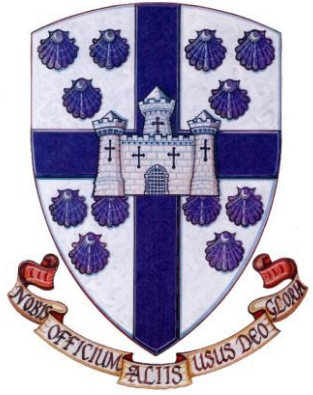
- TMCP help Managing Trustees with questions regarding nominated Managing Trustees and s.333 Charities Act 2011 Resolution.
- TMCP help Managing Trustees with questions regarding connected persons.
- If the Managing Trustee body is a registered charity - TMCP check nominated Managing Trustees listed as charity trustees.
- TMCP assist the Managing Trustees in completing the “**Panel Instruction** Questionnaire”.



Conveyancing



Step	Managing Trustees	TMCP	Managing Trustees' Solicitor
CONVEYANCING			
6. Instruct panel solicitor	Submit completed Panel Instruction Questionnaire to chosen panel solicitor with accompanying documents		
			Confirm quote and instructions to TMCP and Managing Trustees.
	Provide any replies to pre-contract enquiries		Deal with the conveyancing process <ul style="list-style-type: none"> - Outstanding Charity Law & Methodist Law and Policy requirements - Preparing legal documents - Obtaining signed connected person's certificate
			Submit draft documents and signed connected person's certificate to TMCP. Provide any exception report.
		TMCP approve documents and signed connected person's certificate.	Deal with any questions raised by TMCP.
	Notify TMCP when final consent of the District is in place.		
		TMCP confirm requirements fulfilled.	
			Report to Managing Trustees on documents and submit final documents to Managing Trustees for signature.
	Managing Trustees confirm instructions to exchange and arrange signing of contract and transfer		



Precedent Documents (1)

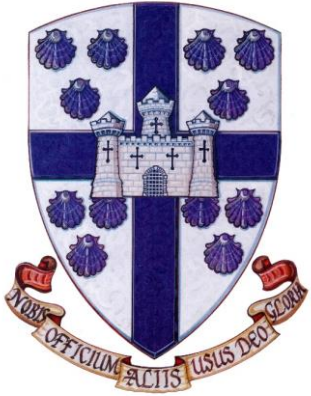


- **What is already available**

- Template AST
- Licence and Pre-school Licence

- **What will be available**

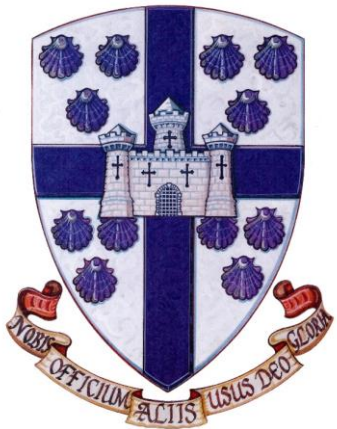
- Contract for sale
- Transfer for sale
- Transfer for purchase
- Short form lease



Precedent Documents (2)



- **When can they be used:**
- Straight forward transactions
- Examples
- Purchase and sale of a Manse (other than the purchase of a new build manse)
- Sale of a Church building in some circumstances
- Lease of a room within a Church building – each transaction would need to be considered on a case-by-case basis
- **Future plans**
- Once these changes are embedded and working well, the TMCP legal team will then consider adding to the precedent library



Exception Reporting



- Streamlines reporting process by highlighting transaction specific exceptions to certain standard assumptions
- Examples of assumptions will be title registered correctly with absolute title, no restrictive covenants, property fully accessible, no planning breaches, no third party occupiers
- Assumptions will be clearly communicated
- Allows Managing Trustees to focus on key issues
- Recommendations for resolution and mitigation of issues and any impact on marketability will be included



Exchange



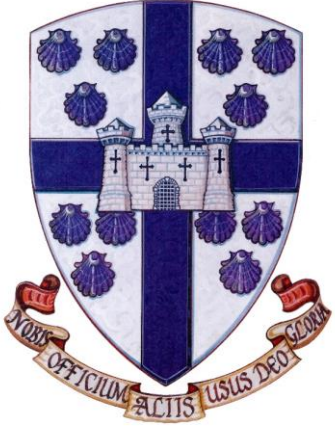
Step	Managing Trustees	TMCP	Managing Trustees' Surveyor	Managing Trustees' Solicitor
EXCHANGE OF CONTRACTS – PARTIES CONTRACTUALLY BOUND TO THE SALE				
7. Exchange	Notify solicitors of any direct costs of sale to be included in the completion statement.			Provide final form of transfer to TMCP for signature and completion statement for approval.
		TMCP arrange to seal transfer and request Memorandum of Consent. TMCP approve completion statement	<i>Surveyor confirms whether any additional costs are direct costs of sale if not covered in Qualified Surveyor's Report.</i>	
		TMCP send sealed transfer and signed Memorandum of Consent to solicitors.		



Completion



Step	Managing Trustees	TMCP	Managing Trustees' Surveyor	Managing Trustees' Solicitor
COMPLETION OF THE SALE AND POST COMPLETION				
8. Completion				Solicitors confirm completion and send net sale proceeds sent to TMCP
		TMCP confirm allocation of sale proceeds to Managing Trustees.		
				Solicitors send completion documents to TMCP
	Managing Trustees complete panel feedback form.			



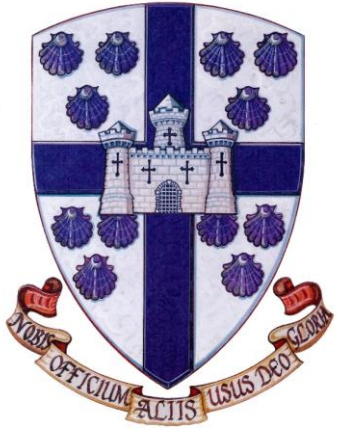
Over to you



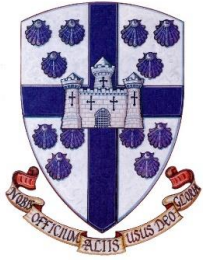
We have presented our thoughts on the revised process and its over to you to discuss and provide feedback on the proposals.

Six stages of a sales transaction:

1. Pre-marketing (Slides 6 to 10)
2. Marketing (Slide 11)
3. Buyer found (Slides 11 to 13)
4. Conveyancing process (Slides 14 to 17)
5. Exchange of contracts (Slide 18)
6. Completion (Slide 19)



Comfort break



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