



August 2016

Buying and Selling Covenanted Properties

Columbus Point (Management Company) Limited (CPMCL) has prepared these notes to assist buyers and sellers of properties that are covenanted to pay for the upkeep of the Columbus Point Water Feature. The notes carry no legal weight or certainty and you are strongly advised to discuss the issues raised with your legal representatives.

Parties Involved and their roles

- **Columbus Point (Management Company) Limited** (“CPMCL”) is the management company that owns and looks after the water feature. Owners of 369 local properties are members of CPMCL by virtue of the Deed of Covenant between CPMCL and themselves upon purchasing their property. Email directors@cpmcl.co.uk
- **Fell Reynolds** are the managing agents for CPMCL and deal with the day to day running of the amenity and service charge collection.
- **Stephen Rimmer LLP** (“Rimmers”) is CPMCL’s solicitor and conveyancer and act on behalf of CPMCL in regard to the Water Feature and the Register of Members. Telephone: 01323 644 222 and email cc@stephenrimmer.com
- **Hazelvine Limited** is the management company representing the **leaseholders’** Landlords. AllSquare Law is their conveyancing/legal arm. Telephone 01628 200 215 and email mail@allsquarelaw.com
- Although not directly involved until Membership of CPMCL is confirmed, **Estate Services (South East) LLP** is the CPMCL Company Secretary. It is a subsidiary of Fell Reynolds. Telephone: 01303 228 688 and email companies@fellreynolds.com

An explanation of the Deed of Covenant

The Deed of Covenant between Members and CPMCL is a contract between CPMCL to manage and maintain the Water Feature at Columbus Point and Members to pay the costs of managing and maintaining the Water Feature.

A history of the development and the Water Feature can be found on CPMCL's website www.waterfeature.eu

Upon completion of the conveyancing process described below, new owners become Members of CPMCL.

If you are a Member of CPMCL and are selling your property

You should point out to your selling agent, your conveyancer and your purchaser that there is a restrictive Deed of Covenant related to the Water Feature, making your property responsible for 1/369th of the costs of maintaining the Water Feature.

You should ensure that your purchaser receives a copy of the current Service Charge invoice related to the Water Feature, and you should inform them of any related outstanding charges or debts.

Most local estate agents and solicitors will be aware of the unique conveyancing issues relating to Sovereign Harbour, and to Columbus Point and the Water Feature in particular.

Purchasing a property in Columbus Point

Each of the 369 properties in Anguilla Close, Dominica Court, Grenada Close, Martinique Way, Monserrat Villas, San Juan Court, StKitts Drive and 2-30 (even numbers) Santa Cruz Drive, have an obligation to pay for the Water Feature.

Hazelvine

Qdime Limited and Frays Property Management Limited – the ground landlords of all the maisonettes and all the apartment blocks on the estate (excluding 1-12 Dominica Court, which owns its own freehold and has its own management company) - and **AllSquare Law**, are part of the Hazelvine organisation.

Leasehold (flats and maisonettes) purchasers therefore need to contact Hazelvine for replies to Preliminary Enquiries about the terms of the lease they are buying, ground rent, management charges, insurance and safety certificates, accounts etc., in the form of a Purchaser's Pack, which they are obliged to pay for.

Upon payment of Hazelvine's charges, Hazelvine (through AllSquare Law) will also provide Replies to Preliminary Enquiries, and these Replies will also refer leasehold purchasers to Rimmers in regard to CPMCL and the Water Feature.

To expedite this process, purchasers' conveyancers may contact Rimmers directly before receiving Replies to Preliminary Enquiries from Hazelvine/AllSquare Law.

Purchasers of freehold properties (houses)

Unless their conveyancers see a reason for it, (for example, there are freehold properties in Grenada Close whose title includes a leasehold parking space), most freehold purchasers should have no need to contact Hazelvine for a Purchaser's Pack.

However, in most cases, on or before exchange of contracts, freehold sellers should provide the purchasers' solicitors with a copy of Hazelvine's bi-annual general estate charge accounts (obtainable free of charge upon request when their invoice arrives) and proof of payment to receive a partial refund (apportionment) upon completion.

Fell Reynolds

There is no need for freehold or leasehold purchasers to contact CPMCL's managing agents, Fell Reynolds, for information related to CPMCL or the Water Feature, as Stephen Rimmer LLP act for the company in regard to all the company's conveyancing business (see below).

Stephen Rimmer LLP

Upon payment of Rimmers' charges, Rimmers will provide all purchasers with Replies to Enquiries, relevant documents related to CPMCL and a copy of the new Deed of Covenant relating to CPMCL and the Water Feature. Copies of old versions of the Deed will not be accepted.

Rimmers will also check with Fell Reynolds (CPMCL's managing agents) that there are no outstanding service charges relating to the property and notify the parties involved if there are.

After the completion of the purchase, the Purchaser's solicitors/conveyancers should contact Rimmers for an RX1 form, which is a Land Registry form confirming that CPMCL agrees to the registration of the transfer for sale.

An RX1 will only be provided if all service charges due relating to the water feature have been paid. It is, therefore, important that Vendors ensure that there are no service charge arrears.

If there are arrears of service charge Rimmers will not issue the RX1 form and without this form registration of new ownership will not be possible.

Rimmers are the only firm authorised to act for CPMCL to provide the RX1 and the Land Registry will reject any other firm's RX1.

After the purchase has been registered at the Land Registry, the purchaser's solicitors are required to provide Notice of Assignment and Office Copy Entries confirming the transfer for sale has been registered.

Rimmers will then update the Register of Members and notify the Company Secretary, CPMCL and the new Member that the matter is concluded.

Sovereign Harbour Trust

Purchasers should also be aware that there is also a Deed of Covenant relating to Sovereign Harbour Trust in regard to harbour charges (sea defences). The Trust's solicitors are Cripps Harries Hall LLP, of Tunbridge Wells, Kent. Telephone: 01892 515 121 or email contact@cripps.co.uk

Information about CPMCL and the Water Feature can be found at www.waterfeature.eu

Directors, Columbus Point (Management Company) Limited,
directors@cpmcl.co.uk