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Property Contracts

In real estate transactions, the ownership of a property must comply with Section 2 of the Law of Property (Miscellaneous Provisions Act) 1989 which states that the contract must be in writing.

A real estate contract is not binding until exchange of contracts becomes effective.

Property contracts are signed on exchange. Each party signs a separate identical copy which combine to form a single binding agreement.

Written contracts are required for an agreement to grant a lease for more than 3 years.

This Guidance Note covers various types of legal bodies encountered in property transactions. It does not cover powers of attorney, etc which are covered in other legal advice.

This Guidance Note covers the requirements for electronic signatures and does not include Land Registry requirements for e-signatures. See the bottom for more information.

Signing by Individual

Signed by <<Name>>

Signing on behalf of a company
A company can make a contract by authorising a person on behalf of the company to sign. The company should provide a resolution or minutes evidencing where an authorised signatory has been given authority to sign on behalf of the company.

Signed by <<Name>>

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Parties to enter a contract prior to the transfer of the property. For contracts to be enforceable, they must be in writing (Law of Property (Miscellaneous Provisions Act) 1989) which states that the contract must be in writing and signed by both parties.

A real estate contract is not binding until exchange of contracts becomes effective. This is the date that both parties intend that it becomes effective.

Property contracts are signed on exchange. Each party signs a separate identical copy which combine to form a single binding agreement.

Written contracts are required for an agreement to buy a property at public auction or for a lease for more than 3 years.

This Guidance Note covers various types of legal bodies encountered in property transactions. It does not cover powers of attorney, etc which are covered in other legal advice. It is advisable to seek specialist advice for certain types of legal bodies.

This Guidance Note covers the requirements for electronic signatures and does not include Land Registry requirements for e-signatures. See the bottom for more information.

Signed by <<Name>> of <<Company Name>>. A witness is not required.

The Companies Act 2006 enables a company to authorise a person acting under its authority to sign on behalf of the company. The company should provide a resolution or minutes evidencing where an authorised signatory has been given authority to sign on behalf of the company.

Signed by <<Name>> of <<Name of Company>>

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Signing on behalf and will bind all the p

individual partner can sign on behalf of the partnership the requisite authority.

Signed by <<Name

f <<Name of Partnership>>

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Signing on behalf body corporate, with under Section 1(2) of under its common seal can sign on its behalf

Partnership (LLP) - a limited liability partnership is a te from its members, and formed by incorporation Partnerships Act 2000. An LLP can enter a contract ed under its authority, usually a member of the LLP,

Signed by <<Name

of Signed by <<Name of LLP>>

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Property Deeds

As a general rule, a Property Act (Miscell

nsfer of a legal interest in land. Section 2 Law of 989 requires a deed to be:

- **in writing**
- **be clear on** wording abo deed),
- **be validly e**
- **be delivered**

deed to be a deed (this will usually mean specific to identify that the document is intended to be a

The below are exam the list is not exhaus

on types of transactions that require a deed, but

- Transfers of free
- Grant of a new l
- Subsequent ass
- Creation of new
- Deeds of coven
- Mortgages, lega
- Lease variations
- Lease surrende

on sale, by gift or assent

uch as a right of way

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The Land Registry h as a deed” may be a 2019 this wording w issues, it is consider types of deeds. The this into account.

r land transaction deeds. Wording such as “signed ther types of transactions, but since 20 September nd Registry. For consistency and to avoid potential the requirements for the Land Registry across all w and within the loan and property templates take

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Further information c consult the practice g any document that is

ment’s practice guide 8 [here](#). You are advised to a legal professional, before drafting and executing nd Registry.

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Below are examples of signatures that are generally acceptable to the Land Registry:

Execution of a deed

Deeds must be signed in the presence of a witness in front of a witness who must also sign the deed to attest he or she was present when the deed was signed. The witness must also ensure they add their full name in the appropriate space.

Someone who is a party to the deed cannot witness the signature of another party to the deed. Witnesses should be independent. Ideally, they should not be a spouse, civil partner, or family member of the party signing. Legally there is nothing to prevent them from acting as a witness.

The same witness can witness more than one signature provided they separately attest each individual signature. A witness cannot witness more than one signature at the same time and there is no requirement for a witness to sign in that effect. For example, "Signed as a deed by A and B **both** in the presence of C".

Signed as a deed by
<<Name>>
in the presence of:

Signature:

Signature of witness _____

Name (in BLOCK CAPITALS) _____

Address _____

Execution of a deed

Section 44 Companies Act 2006 provides three valid ways to execute deeds contain three alternatives for the company as follows:

A. Affixing the company seal

Companies are not required to have a company seal. Where a company does have a seal, it must have a circular or oval seal with legible characters. When executing a deed under a company seal, the deed must be executed in the presence of the company secretary and one director, or two directors, who must attest the sealing by countersigning the deed and describing themselves as 'secretary' and 'director' or 'director' and 'director'.

In many cases people are authorised to sign on behalf of a company and the secretary can be authorised under a company's articles of association. The company should be prepared to provide certified copies of the articles of association. Protection for purchasers provided by section 44(1) of the Law of Property Act 1925 is limited to cases where the seal is affixed in the presence of two directors.

Executed as a deed
the common seal of
<<Company Name>>
in the presence of:

<<Affix seal here>>

Signature of Director

Signature of Director

B. Signature by two persons (directors/company secretary)

Alternatively, where a company is being used a company may execute a deed either by using two authorised persons or a single director in the presence of a witness.

Note that if executed by a director and company secretary, they must be two separate persons; the same individual cannot act in both capacities. This example B (and C below) set out an example attestation:

Executed as a deed of <<Company Name>> acting by [a director and its secretary] [two directors]

Signature of Director

Signature of [Director/Secretary]

C. Single director and witness

Executed as a deed of <<Company Name>> acting by a director in the presence of:

Signature of Director

Signature of witness

Name (in BLOCK CAPITALS)

Address _____

Execution of a deed

A single partner can execute a deed on behalf of a partnership unless he or she has express authority to do so in writing. Usually, to circumvent each partner needing to sign the deed, the partners usually confer a power of attorney on a particular partner to sign on behalf of the partnership. If this is the case, then the following attestation may be used:

_____ as agent for and on behalf of <<Name of Partnership>> under deed <<Date>> in the presence of:

Executed as a deed of <<Name of Partnership>> under

<<Name of Partnership>> as agent for and on behalf of <<Name of Partnership>> under deed <<Date>> in the presence of:

Signature of Partner _____

Signature of witness _____

Name (in BLOCK CAPITALS) _____

Address _____

Execution of a deed

Partnership (LLP)

The Limited Liability Partnerships Regulations 2009 (SI 2009/1804) applies to limited liability partnerships, so they may execute deeds. The regulations modify sections 1 and 2 of the Companies Act 2006 so that the references to a director and the secretary, of a company are to be read as references to two members of the limited liability partnership (see Regulation 4).

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The following attestation may be used where two members sign:

(common seal) may be used where two members sign:

Executed as a deed of <<Name of Partnership>> by two members:

_____ by two members:

Signature of Member _____

Signature of Member _____

OR

the following attestation may be used where one member signs

(common seal) may be used where one member signs

in the presence of a

Executed as a deed
<<LLP Name>>
acting by a member
presence of:

Signature of Member

Signature of witness

Name (in BLOCK CAPITALS)

Address

Electronic documents

The creation of property documents in electronic form is becoming increasingly common. See the [Guidance Note: Electronic Documents](#)

For more information see [Guidance Note: Electronic Documents](#)

Electronic signatures

The creation of property documents in electronic form and the subsequent signing of them is becoming increasingly common. The Land Registry has strict requirements for electronic land transactions. See the [Guidance Note: Electronic Signatures of Property Deed and Contracts](#).

For more information see [Guidance Note: Formalities for Signing](#)

