

GENERAL CONDITIONS OF SALE

DEFINITIONS

- 1.1 **The Auctioneers.** Shobrook & Co Ltd, Reg Office 20 Western Approach, Plymouth PL1 1TG, Co. No: 4470622 and where relevant the joint auctioneers referred to in the Particulars of the Sale and the person or persons for the time being authorised by the Auctioneers to have the conduct of the Auction.
- 1.2 **The Bidder.** The person to whom the Property is knocked down and sold by the Auctioneers and who actually bids for the Property.
- 1.3 **Completion.** Completion of the sale or other disposition of the Property in accordance with these and the Special Conditions.
- 1.4 **Included Items.** All fixtures fittings (except tenant's fixtures and fittings) and where relevant and applicable any other furniture, furnishings, plant machinery, pipes, wires or other conducting media or any other equipment or items expressed to be included in the sale.
- 1.5 **Property.** The property described in the Memorandum of Contract and the relevant Special Conditions which the Purchaser has agreed to purchase.
- 1.6 **Particulars of Sale.** The Particulars of Sale relating to the Property set out in the auction catalogue relating to the Property.
- 1.7 **The Purchaser.** The person firm or corporation referred to in the Memorandum of Contract attached to these conditions relating to the relevant property.
- 1.8 **The Special Conditions.** The special conditions relating to the relevant property including any terms and conditions relating to the Property referred to in any addendum or attachment to these conditions made available for inspection by the Auctioneers or otherwise as referred to in these General Conditions or the Special Conditions.
- 1.9 **The Vendor.** The person firm or corporation referred to as the Vendor in the Special Conditions or the memorandum of sale attached to these conditions relating to the relevant property.
- 1.10 **VAT.** Value Added Tax.
- 1.11 Without Prejudice to anything contained in these conditions and the Special Conditions where the expression 'the Purchaser' shall include more than one person firm or corporation the agreements on their part shall be deemed to be joint and several. Where 2 or more persons, firms or corporations are parties to the agreement incorporating these conditions, their obligations shall be joint and several.
- 1.12 Any reference to any statutory provisions shall be deemed to relate to any statutory re-enactment or amendment thereof.

2. CONDITIONS APPLICABLE

- 2.1 The Property is sold subject to and with the benefit of these General Conditions and the Special Conditions and the conditions known as the National Conditions of Sale (20th Edition) except that:
- 2.1.1 Conditions 3, 4, 5(5), 12(1), 15(2), 15(3), 17, 21(2), 21(3) thereof shall not apply and the words 'and no bid shall be withdrawn' shall be added at the end of Condition 1(3).
- 2.1.2 Condition 7(1) shall be read as though the words 'remainder of his' has been deleted.
- 2.1.3 The proviso to Condition 7(1) shall not have effect and if the purchase is not completed on the completion date referred to then (subject to the provisions of paragraph (2) of the said condition) the Vendor shall be entitled to be paid both interest and to receive any income from the Property. If interest becomes payable in accordance with Condition 7 and the Vendor is in occupation of the Property the Vendor shall in no case be obliged to pay any occupational rent in respect thereof.
- 2.1.4 The words 'or to be offered for sale if bidding had not yet commenced for the sale of the said lot' be added at the end of Condition 1(4).
- 2.1.5 The prescribed rate of interest shall be 5% per annum above National Westminster Bank Plc base rate for the time being with a minimum of 15%. Any interest payable hereunder shall not comprise yearly interest and shall therefore not be subject to Section 349 of the Income & Corporation Taxes Act 1988 and shall be paid to the Vendors gross and without deduction of any tax.
- 2.1.6 The words 'notwithstanding that the Vendor may not have been lawfully entitled to allow the Purchaser into occupation of the Property prior to completion' shall be added at the end of Condition 8(1)(ii).
- 2.1.7 Where the Purchaser is allowed into occupation prior to completion for any purpose the provisions of National Conditions 8(1), 8(2), & 8(3) (as varied above) shall apply and in addition thereto the Purchaser shall upon rescission or upon the refusal of any landlord to grant to the Vendor or the Purchaser any licence required by the Purchaser forthwith upon written request from the Vendor or the Vendor's solicitors remove any installations made by the Purchaser and reinstate the Property to as good a state of repair and condition as it was in immediately before the Purchaser took occupation thereof.
- 2.1.8 Condition 16(2) and 21(2) shall not have effect.
- 2.1.9 Condition 6(1)(2) and (3) shall be replaced by the following words 'Apportionment shall be made as from the date of actual completion'.
- 2.1.10 Condition 22(2) '11 working days' shall be substituted for '16 working days'.
- 2.1.11 The words 'unless the court otherwise direct' in Condition 22(3) shall be deleted.
- 2.1.12 For the purposes of National Condition 22 the Vendor and the Purchaser herby agree that the Vendor shall be deemed to be in control of all documents necessary to procure the transfer of the title to the Property to the Purchaser and to be ready willing and able to complete this Contract notwithstanding that the Vendor may be a contracting Purchaser of the Property.
- 2.2 In the event of any conflict between the National Conditions of Sale and the General Conditions, the General Conditions shall prevail. In the event of any conflict between the National Conditions, the General Conditions and the Special Conditions, the Special Conditions shall prevail.
- 2.3 A copy of the National Conditions may be inspected at the offices of the Auctioneers or the solicitors for the Vendor on any business day during usual business hours on due appointment being made and in the sale room at or immediately before the auction and the Purchaser shall be deemed to have full knowledge of all the provisions of these Conditions.

3. SALE CONTRACT, INSURANCE LIABILITIES OF THE BIDDER

- 3.1 The knocking down and sale of the Property to the Bidder and/or delivery of a memorandum of contract for the Property signed for or on behalf of the Purchaser with cash, a cheque or draft in respect of the deposit for the Property shall constitute a warranty and undertaking by the Bidder, the Purchaser and the persons (if any) signing on behalf of the Purchaser:
- 3.1.1 That the Bidder (if any) or other person so signing on behalf of the Purchaser has the express authority so to sign and to bind the Purchaser.

- 3.1.2 That such cheque or draft will be paid on first presentation and that such payment will be made within not more than 5 days after presentation.
- 3.1.3 That such delivery is unconditional.
- 3.2 The terms and provisions of these conditions of sale shall remain in full force and effect as far as they remain to be performed and observed notwithstanding that completion has taken place.
- 3.3.1 Subject to clause 3.3.2 on consideration of the Auctioneers and the Vendor entering into this contract at the request of the Bidder and the Purchaser, the Purchaser and the Bidder for the Property at the auction shall be deemed to be personally responsible and shall observe and perform the terms of this contract on making an acceptable bid even though the Bidder purports to act as agent for a principal and despite purporting to sign a Memorandum in a representative capacity so that liability shall be joint and several provided that the terms of this clause shall not apply where the Auctioneers or any partner or employee of the Auctioneers are the Bidder.
- 3.3.2 If the Purchaser shall be a company then:
- (a) The contract to purchase the relevant Lot shall be deemed to be entered into at the request of the successful Bidder ('the Guarantor').
- (b) The Guarantor warrants that the Purchaser is a properly constituted company of good standing and empowered to purchase any estate or interest in land in the United Kingdom and that the Guarantor has been duly authorised by the Purchaser to purchase the Property.
- (c) The Guarantor guarantees to the Vendor (as witnessed by the signature of the Guarantor on the Memorandum of Contract which the Guarantor shall be deemed to have signed as agent for the Purchaser and as the Guarantor of the Purchaser) as follows:
- (i) That the Guarantor shall within 5 working days of any request therefore provide the Vendor's Solicitors such evidence as they may reasonably require to verify the warranties given by the Guarantor.
- (ii) That the Purchaser will observe and perform its obligations under this contract to purchase the Property and the Guarantor will make good to and keep the Vendor indemnified in respect of all losses, actions, costs, damages and expenses of the Vendor arising by virtue of any breach by the Purchaser of such obligations and the Guarantor's liabilities to the Vendor hereunder shall not be released by any neglect or forbearance on the part of the Vendor in enforcing or giving time to the Purchaser for the performance of the Purchaser's contract to purchase such Lot.
- (iii) That if any liquidator of the Purchaser shall disclaim this contract then the Vendor may within 28 days from the date of such disclaimer give to the Guarantor 14 days written notice requiring the Guarantor to accept an assurance of the Property and the Guarantor shall accept such assurance upon the same terms (mutatis mutandis) as this contract (as if any such liquidator had not disclaimed the same) save that time shall be of the essence for the purposes of the date for completion which be on or before the expiry of such 14 days' notice and the Guarantor shall (in addition to the payment of all sums due from the Purchaser to the Vendor under this contract) pay to the Vendor any interest which would have been payable to the Vendor by the Purchaser but for such disclaimer.
- 3.4 The Vendor may if it wishes maintain the insurance of the Property (unless it is maintained by a tenant, mortgagee or other third party) until actual completion, in which case:
- 3.4.1 The Vendor shall not be responsible to the Purchaser for any deficiency in the amount insured, or inadequacy of the risks covered, and the Purchaser must satisfy itself in these respects, but the Vendor will at the request and cost of the Purchaser increase the amount insured and/or the risks covered.
- 3.4.2 The Vendor will at the request and cost of the Purchaser increase the amount insured and/or the risks covered.
- 3.4.3 The Vendor will, if so requested, supply to the Purchaser, sufficient details of the insurance of the Property, but the Purchaser may make enquiries direct with the insurers.
- 3.4.4 The Vendor will at the request and cost of the Purchaser obtain or consent to an endorsement of a notice of the Purchaser's interest in the Property on the policy.
- 3.4.5 The purchaser will be responsible for, and will on demand, pay or reimburse the premium for insurance of the Property for the period from the date of this Agreement to the date of actual completion, but the Purchaser will be credited with any reimbursements of the premium received by the Vendor from a tenant or other third party with respect to that period. Provided that the Vendor need take no action under the clause 3.4 until the Purchaser has actually paid all amounts due in respect of costs and premiums.
- 3.5 The Purchaser will if reasonable required by the Vendor and subject to the consent of the insurer acquire the benefit of all policies of insurance in respect of the Property with effect from the date of this Agreement in which case clause 3.4.1 will apply.
- 3.6 The Purchaser will if required provide all necessary details and accurately all necessary proposal forms to enable it to acquire the benefit of the insurances referred to in this clause.
4. **RESERVE**
- 4.1 The reserve price is the minimum price for which the Vendor will sell the Property.
- 4.2 Unless otherwise stated the sale is subject to a reserve price for each property and the Vendor and the Auctioneers reserve the right to bid on the Vendor's own behalf or through an agent at the auction up to the reserve price only.
- 4.3 The Vendor or a person on his behalf may bid up to the reserve price.
5. **DEPOSIT**
- 5.1 A deposit of ten per cent of the purchase price shall be paid to the Auctioneers as agents for the Vendor. A minimum deposit of £1,000 shall be paid. The deposit is exclusive of VAT and the Purchaser will pay any VAT attributable to the Deposit.
- 5.2 The deposit may be paid by such method as the Auctioneers shall in their discretion accept and if required the Purchaser shall produce such evidence as the Auctioneers may reasonably require of his identity and credit-worthiness and if the deposit is paid otherwise than in cash that his instrument of payment will be honoured.
- 5.3 If the instrument of payment of the deposit is not honoured on first presentation the Vendor shall have the option of rescinding the sale or of affirming the sale and if the Vendor affirms the sale either
- (a) the Vendor may determine the contract and forfeit the deposit which shall remain due to the Vendor and in addition the Purchaser will remain liable on his instrument of payment or
- (b) the Vendor may seek performance of the sale.

6. STATE OF PROPERTY, REPRESENTATIONS AND EXCLUSIONS

- 6.1 The Property and any Included Items is believed and shall be taken to be correctly described as to quantity and otherwise. Any error, omission or mis-statement found in the Particulars or any conditions of sale shall not annul the sale or entitle the Purchaser to any compensation in respect thereof.
- 6.2.1 The Property and any Included Items are sold in their present state of repair and maintenance condition and user and the Purchaser hereby admits that he/she has inspected the Property and Included Items and that he/she enters into the Contract solely as a result of such inspection and on the basis of the terms hereof and not in reliance of any statement representation or warranty made by or on behalf of the Vendor or its agents.
- 6.2.2 The Purchaser shall take the Property and any Included Items as it is.
- 6.2.3 The Vendor shall under no circumstances be liable for the state and condition of the Property or Included Items or loss or damage or injury of any kind whatsoever arising from any defect, contamination or pollution in the Property or Included Items and all warranties conditions and stipulations whatsoever on the part of the Vendor as to the state and condition of the Property or Included Items or as to whether there is any contamination or pollution in respect thereof are hereby excluded.
- 6.3 The only representation made or intended to be implied by or from the said Particulars in relation to tenancies is that the amounts of rents stated are the rents actually payable by the tenant.
No representation is made that those rents are being paid or are properly payable. No representation is made that any notices served were valid in proper form or properly served by the Vendor or his predecessors in Title.
The Vendor shall not be liable to make compensation for any rents found to be improperly increased or not legally binding. The Purchaser shall be satisfied with such evidence or information of the terms of the tenancies as the Vendor can supply whether such have been reduced to writing or not.
- 6.4 The Purchaser and the Bidder will satisfy themselves before signing the contract as to the correctness of all rents, business or otherwise and as to whether the same are properly payable under or by virtue of current legislation and statutory instruments made thereunder.
- 6.5 No objections, requisitions or enquiry shall be made by the Purchaser whether or not he/she has made such enquiries as to
6.5.1 the correctness or otherwise of such rentals or any of them; or
6.5.2 whether the same are now lawfully recoverable either in whole or in part. The Purchaser shall not be entitled to refuse to complete or to demand compensation or damages or in any way make any claim or counterclaim or obtain compensation on account of any of these matters.
- 6.6 Nothing shall be incorporated in any sale either collaterally or directly or indirectly as to whether, in the case of property sold subject to any tenancy or tenancies, there are subsisting any sub-tenancies or similar such occupations.
- 6.7 Whether or not any such shall be disclosed at or before the Auction the Purchaser shall be deemed to purchase with full knowledge of any such sub-tenancy or sub-tenancies or occupations that there may be whether or not the Purchaser shall have enquired of the Auctioneers or the Vendor or have inspected the Property and no objection shall be taken or requisition made on account thereof.
- 6.8 Notwithstanding anything in these conditions or in the Particulars contained or referred to no representation, warranty or condition, either collaterally, directly or indirectly, shall be made or implied whatsoever
6.8.1 as to whether the Property is subject to any resolutions, schemes, development orders, improvement plans, improvement notices or schemes, sanitary notices or intimidation notices or proposals under the Housing Acts or
6.8.2 as to whether the Property is in an area where redevelopment is proposed or is subject to a road widening proposal or scheme or any other matter whatsoever.
- 6.9 The Purchaser shall be deemed to purchase in all respects subject to the matters referred to in clause 6.8 whether or not he/she makes any enquiry. Neither the Vendor nor the Auctioneers shall be required or bound to inform the Purchaser of any of the said matters whether known to them or not and the Purchaser shall raise no enquiry, requisition or objection thereon or any such matters as aforesaid. Neither the Vendor nor the Auctioneers shall be in any way liable in respect of such matters or failure to disclose the same it being solely the duty of the Purchaser to satisfy himself/herself at his/her own risk in respect of the above matters.
- 6.10 Without prejudice to the terms of these conditions and any relevant legislation relating thereto the Property is sold subject to and (where appropriate) with the benefit of:
6.10.1 all local land charges (whether registered or not before the date of this agreement) and all matters capable of registration as local land charges or otherwise register able by any competent authority pursuant to statute or like instrument.
6.10.2 All notices served any orders demands proposals or requirements made by any local or other public or competent authority whether before or after the date of this contract.
6.10.3 All actual or proposed charges, notices, orders, restrictions, agreements, conditions or other matters including Town & Country Planning Acts.
6.10.4 All rights of way, water, light, air and other rights easements quasi easements, liabilities and other public rights whatsoever and to any liability to repair or contribute to the repair of road ways, passages, sewers, drains, fences or other like matters and to all incumbrances of whatever nature.
6.10.5 Any actual or proposed order, direction notice, charge, agreement or other matter arising under the Town and Country Planning Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990 and the Planning (Consequential Provisions) Act 1990 and any other legislation or constraint of planning law whether the same be registered in the records of any competent authority or not and on the basis that the Purchaser shall be deemed to have established and satisfied itself in all respects as to past and present permitted uses of the Property and each part thereof and any other relevant information on planning and related matters.
- 6.11 No representation is made:
6.11.1 That the rent payable in respect of any property or part thereof sold subject to a tenancy is properly chargeable under the Rent or Housing Acts or other statutes for the time being in force regulating the control of rents or
6.11.2 that the landlord was entitled to obtain possession at the time when any notice increasing rent under the said Acts became operative.
- 6.12 The only representation made or intended or implied is that the amounts referred to in the Particulars of Sale or the Special Conditions are the respective rents actually reserved to the Vendor and no objection or requisition shall be taken or made as to any matter arising under the said legislation or any legislation for the time being amending or replacing the same or any other statute or legislation whatsoever.
- 6.13 The Purchaser shall not be entitled to require
6.13.1 particulars of the standard rent or the limit of the net rent or of the fair rent or the present or former regulated rent payable in respect of the Property or any part.
6.13.2 copies of statutory notices of increase of rent and notices to quit (if any) which

- have been served.
- 6.14 The Purchaser shall raise no objection that the Property has not at any time been registered with the local authority as decontrolled and the Purchaser shall not require any particulars which under the said Acts or any rules made thereunder are to be inserted in the tenants' rent books to be so inserted nor required to be supplied with any particulars for insertion.
- 6.15 In the case of a regulated tenancy, no objection, requisition or enquiry shall be made:
6.15.1 on the grounds that the same is not a fair rent;
6.15.2 that the same may exceed the registered rent under the appropriate legislation;
6.15.3 that the same (if applicable) has not been registered;
6.15.4 as to whether or not a notice of increase of rent has or has not been validly served;
6.15.5 as to whether or not a certificate of disrepair has been obtained by a tenant authorising a reduction of rent.
- 6.16.1 The Purchaser shall not object to or claim damages or compensation or rescission on the grounds that the Vendor has not complied with the terms of any counter notice served upon or by a tenant.
- 6.16.2 The Vendor nor the Auctioneers shall be under any duty to acquaint the Purchaser of any such matters referred to in this clause, whether or not the same are known to the Vendor or the Auctioneers and the Purchaser shall in all respects satisfy himself/herself at his/her own risk and whether or not he does so, no claim shall be made or entertained on the grounds that the Purchaser shall be deemed to have full knowledge of all matters relating to the Property under the provisions of the Housing Acts or Rent Acts or other relevant legislation and shall raise no objection or requisition whatsoever thereon.
- 6.17 It shall be the Purchaser's responsibility to satisfy himself/herself before making a bid as to the accuracy of the matters contained in the Particulars of Sale.
- 6.18 The Purchaser hereby admits and confirms that:
6.18.1 the Purchaser has inspected the Property and any Included Items;
6.18.2 the Purchaser has obtained advice and information with regard thereto independently of the Vendor and the Auctioneers;
6.18.3 for the purposes of the Misrepresentation Act 1967 the Purchaser hereby confirms that in entering into this Contract the Purchaser is relying on the Purchaser's own judgement and the advice of the Purchaser's professional advisers and the terms hereof and is in no way influenced by any representations made to him by or on behalf of the Vendor.
- 6.18.4 This agreement constitutes the entire contract between the parties and may only be varied or modified (whether by way of collateral contract or otherwise) in writing under the hands of the parties or their solicitors. The Purchaser acknowledges that, save as for the written statements of the Vendor's Solicitors prior to the making of this agreement, the Purchaser has not entered into this agreement in reliance wholly or partly on any statement or representations made to him/her.
- 7. SALE BY PRIVATE TREATY**
7.1 The Vendor reserves the right to sell any part of the Property by private treaty before the auction.
7.2 The Vendor reserves the right to alter or add to the Particulars of Sale relating to the Property and the conditions of sale at any time prior to the sale.
- 8. RIGHTS OF AUCTIONEERS**
8.1 The Auctioneers are agents for the Vendor and will in certain circumstances be entitled to sign the Memorandum of Contract on behalf of the Purchaser as his agent.
8.2 The Auctioneers reserve the right to sell in separate lots if the whole of the Property is unsold or to sell in one lot where individual lots are offered. The Auctioneers reserve the right to sell prior to auction.
8.3 The Auctioneers reserve the right to regulate the bidding and to refuse to accept any bids without assigning any reason therefore in the auctioneer's sole absolute discretion.
In the event of any dispute in respect of the bidding or other conduct at the auction the Auctioneer's decision shall be final.
8.4 The Auctioneers shall be under no financial liability in respect of any matters arising out of the auction or the Particulars of Sale or in the conditions of sale. No claims shall be made against the Auctioneers by the Purchaser in respect of any loss damage or claims suffered by or made against the Purchaser by reason of the Purchaser entering the contract to purchase or acquire any other interest in the Property.
- 9. LEASEHOLD PROPERTY**
9.1 The Purchaser of any leasehold property shall within 3 days of the date of the sale contract of the Property, supply to the Vendor's solicitors satisfactory references (being a banker's reference, solicitor's reference, accountant's reference, at least one trade reference and landlord's reference and any other reference that the Vendor shall reasonably require) to enable the Vendor to apply for a licence to assign where this is necessary.
9.2 The Purchaser shall if required by the Vendor provide as soon as possible such further financial and other information relating to the Purchaser as may be reasonably required to enable the Vendor to apply for such licence to assign.
9.3 If the Purchaser shall be reasonably required by the Vendor, the Purchaser shall procure that two individual persons as may be reasonably approved by the Vendor shall enter into such form of written guarantee containing such provisions as shall be reasonably required by the Vendor or any landlord of the Property to jointly and severally guarantee performance of the covenants obligations conditions and agreements on the part of the tenant referred to in the relevant lease or leases of the Property.
9.4 Any covenants that may be implied by the Vendor selling the Property shall not be deemed to imply that any of the covenants on the part of the Vendor as to renewal, repair, decoration or maintenance of the Property have been observed and performed. The conveyance or transfer of the Property to the Purchaser shall contain a declaration to such effect.
9.5 The Purchaser shall be responsible to comply with any schedule of dilapidations which shall be served either before or after the contract date.
9.6 The Vendor will upon completion (if requested by the Purchaser) at the Purchaser's expense execute an assignment to the Purchaser of the benefit of any covenant guaranteeing the performance of the lessee's obligations under any lease subject to which the Property is sold insofar as the Vendor has the benefit of such covenant.
9.7 The Purchaser shall if reasonably required by the Vendor enter into a direct covenant with the head or other landlord of the Property to comply with the terms and provisions of any lease to which the Property is subject or otherwise as required by such lease.
- 10. RENT & OTHER ARREARS, RENT REVIEWS, SERVICE CHARGES & LEASE RENEWALS**
10.1 The Purchaser will on completion pay to the Vendor any arrears of rent, service,

- maintenance and insurance charges and other amounts including Value Added Tax due to the Vendor from any tenant or occupier or in respect of the Property or any part or parts thereof up to and including the date of actual completion and the Vendor will at the request and cost of the Purchaser assign to the Purchaser the right to recover such arrears or other such amounts.
- 10.2 Where the Property is sold subject to a lease under which the rent is due to be reviewed with effect from a date prior to the date of actual completion but such rent review has not been agreed or determined prior to the date of the actual completion then:
- 10.2.1 The rent in respect of such property shall be apportioned on completion on the basis of the Vendor's reasonable estimate of the rent which will ultimately be agreed or determined in respect thereof.
- 10.2.2 The Purchaser shall use its best endeavours as soon as reasonably practicable to agree such review rent with the tenant or to procure the same to be determined.
- 10.2.3 Forthwith on such agreement or determination the Purchaser shall notify the Vendor and shall supply the Vendor such documents or other correspondence relating thereto as the Vendor shall require.
- 10.2.4 Within 15 working days of such agreement or determination the Vendor and the Purchaser (as the case may be) shall pay to the other the amount of any excess due to the other in respect of the period from the due date for review under the lease and to the date of the actual completion after taking into account the estimated sum apportioned under this clause.
- 10.2.5 If the Purchaser shall be the lessee or any associated company by having control over the lessee or acting on behalf of the lessee then the rent to be apportioned on completion in respect of such property shall be the sum notified for the purposes of these conditions to the Purchaser prior to exchange of contracts or if there shall be no such sums then the Vendor's reasonable estimate of such rent shall be deemed to be the rent payable with effect from the date of review and this clause shall be construed accordingly.
- 10.3 Where a tenant is holding under the protection of the Landlord and Tenant Act 1954 the Vendor reserves the right at any time up to the date of completion to conclude and grant a renewal lease to such tenant. If the Vendor is unable before the date of completion to conclude any such renewal lease then the following provisions shall apply:
- 10.3.1 the Purchaser shall take over and conduct negotiations with the tenant towards agreeing terms for the renewal lease and shall use all reasonable endeavours to conclude such agreement at the earliest opportunity;
- 10.3.2 the Purchaser shall not accept or agree to accept any rent for the period or any part thereof commencing on the earliest date on which the Court would order payment of an interim rent under the provisions of Section 24 (A) of the said Act and ending on the date of completion at a rate less than a rate to which the Vendor has given its prior written consent (other in either case than by an order of the Court in which respect the Purchaser shall use all reasonable endeavours to ensure that any order made by the Court is for the maximum rent lawfully obtainable).
- 10.3.3 Forthwith upon the grant of any renewal lease (or any other disposal of any court proceedings for a renewal lease including, but without prejudice to the generality of the foregoing, the termination of negotiations or court proceedings for a renewal lease) the Purchaser shall pay to the Vendor the balance of the rent payable for the period stipulated in Clause 10.3.2 over and above the rent actually recoverable by the Vendor prior to completion to that period or any part thereof.
- 10.3.4 Immediately following completion where the tenant has applied to the Court for the grant of a new tenancy the Purchaser will apply to the relevant court to be substituted for the Vendor as a respondent in the action and the Purchaser hereby agrees to indemnify and keep the Vendor indemnified from and against all costs, claims and expenses incurred before or after the date of completion.
- 10.4 Prior to the date of actual Completion the Purchaser shall if the Vendor requires be provided with a statement ('the initial statement') by the Vendor or by the Vendor's Managing Agents containing a fair summary of the expenses and outgoings ('the Expenses') incurred or likely to be incurred in the period from a particular date referred to in the initial statement in respect of the Property ('the base date') to the date of actual Completion in the provision of the items which the Vendor is obliged to provide or provides by way of services and in respect of any other similar obligations and the Purchaser shall on actual Completion pay to the Vendor a sum equal to the amount (if any) by which the Expenses exceed the total of all and any payments on account therefore made pursuant to the tenancy documents ('the total advance payments'). Provided always that:
- 10.4.1 if the Expenses are less than the total advance payments the Vendor shall on actual Completion make an allowance to the Purchaser equal to the difference between the Expenses and the total advance payments
- 10.4.2 the Purchaser shall within three months after the date of actual Completion be provided with a final statement ('the final statement') certified by the Vendor or by the Vendor's Managing Agents and containing a fair summary of the expenses and outgoings incurred (including any expenses and outgoings for which liability has been incurred but payment not actually made) in the period from the base date to the date of actual Completion in the provision of the service charge items and the Purchaser shall pay to the Vendor within fourteen days after being provided with the final statement a sum equal to the amount (if any) by which the expenses and outgoings shown in the final statement ('the final expenses') exceed the Expenses
- 10.4.3 if the final expenses shall be less than the Expenses the Vendor shall within fourteen days after the Purchaser has been provided within the final statement refund to the Purchaser the difference between the final expenses and the Expenses.
- 10.5 In respect of any Service/Maintenance Agreements relating to the Property the following provisions shall apply:
- 10.5.1 the Vendor has entered into various Service/Maintenance Agreements ('the Service Agreements') and the Purchaser acknowledges that it has been provided with copies of all the Service Agreements.
- 10.5.2 The Vendor will where applicable apply for consent to the assignment to the Purchaser of the benefit of any of the Service Agreements or otherwise notify such contractors that the Purchaser will on completion be taking them over and on completion the Vendor will assign the benefit of the Service Agreements to the Purchaser.
- 10.5.3 The assignment of the Service Agreements shall be prepared by the Purchaser's Solicitors and shall contain a covenant by the Purchaser with the Vendor that the Purchaser will as from the Completion Date observe and perform the Vendor's obligations under the Service Agreements and will indemnify and at all times keep the Vendor indemnified against all claims demands actions liabilities damages costs expenses arising from and after the Completion Date or pursuant to clause 10.5.5 hereof
- 10.5.4 if consent to the assignment is refused or if the Purchaser does not intend to take over the benefit of any of the Service Agreements then the Vendor shall immediately following actual completion terminate the relevant Service Agreements in accordance with the provisions thereof and the Vendor will provide to the
- Purchaser a copy of such Notice or Notices (as the case may be) and the Purchaser hereby agrees that in such circumstances the Purchaser will not enter into any similar Agreement with any other person or Company which will come into effect prior to the date of termination of the relevant Service Agreements.
- 10.5.5 Up to the date of Completion the Vendor shall make all payments due under the Service Agreements and if on the Completion Date such payments have not been formally demanded by way of service charge from the Tenants in accordance with the terms of the tenancy documents then any such payments shall be paid by the Purchaser to the Vendor on Completion.
- 11. TITLE**
- 11.1 The tenure of the Property and the estate or interest sold are as stated in the Special Conditions.
- 11.2 Where the Property is registered at H.M. Land Registry the title shall be deduced and consist of a copy of the entries at H.M. Land Registry and the Filed Plan and authority to inspect the Register where necessary. Title shall be deduced in accordance with the Land Registration Acts.
- 11.3 Where the Property is not registered at H.M. Land Registry title shall be deduced from whichever of the following are relevant under the circumstances.
- 11.3.1 The lease under which the Property is held.
- 11.3.2 A conveyance or conveyances on sale for value or legal mortgage or mortgages dated at least 15 years prior to the date of contract and which properly identifies the Property.
- 11.4 Unless otherwise stated in the Special Conditions the Vendor will transfer the Property with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- 11.5 The Purchaser shall admit the actual identity of the Property with that comprised in the documents abstracted by the Vendor as containing the title thereto without requiring any further evidence thereof other than such (if any) as may be afforded by a comparison of the descriptions of such property in the Special Conditions and in such documents.
- The Purchaser shall not be entitled to raise any objection or requisition in respect of any inconsistency in the plans or areas of such property.
- 11.6 The Purchaser shall not raise any objection or requisition or enquiry in respect of any rights, covenants, obligations, privileges, licences subsisting, acquired or being acquired over or in respect of the Property. The Vendor or the Auctioneers shall be under no liability to disclose the same whether or not the same are known to them.
- 11.7 The Property is sold subject to and with the benefit of:
- 11.7.1 the agreements, rights, exceptions, reservations, restrictions, stipulations, covenants, declarations and other matters (if any) referred to in the Property Proprietorship and Charges Register relating to the Property where it is registered at H.M. Land Registry except charges securing repayment of indebtedness of the Vendor;
- 11.7.2 any other matters as are referred to in the Special Conditions and the Particulars of Sale relating to the Property;
- details whereof been available for inspection by the Purchaser and the Purchaser shall be deemed to purchase with full knowledge and notice thereof and shall not raise any requisition or objections in respect thereof. The assurance to the Purchaser shall contain a covenant by the Purchaser to observe and perform such matters and indemnify the Vendor against all actions, claims, expenses and liabilities in respect thereof.
- 11.8 The Property is also sold subject to and with the benefit of any leases, tenancy agreements, licences, notices and other similar documents to any leasehold title in the Property referred to in the Special Conditions and Particulars of Sale relating to the Property.
- Copies of such documents being available for inspection at the offices of the Vendor's solicitors the Purchaser shall be deemed to have inspected such documents before making an offer for the Property and shall be deemed to purchase with full knowledge and notice of the contents of such documents and shall raise no objection or requisition in respect of the same or as to the identity of the tenants or the amounts of the rent or other sums payable under such documents.
- The assurance to the Purchaser shall contain a covenant by the Purchaser to observe and perform all the covenants, agreements and conditions on the part of the Vendor or its predecessors in title contained in such documents and to indemnify the Vendor against all actions, claims, expenses and liability in respect thereof.
- 11.9 If the Vendor's title is in the process of being registered at the H.M. Land Registry the Purchaser shall not require the Vendor to complete registration of the title to the Property prior to completing the sale to the Purchaser. The Vendor will assist the Purchaser in procuring the registration of the Purchaser's interest.
- 11.10 Where relevant the Vendor's land certificate or charge certificate relating to the Property will be placed on deposit at the H.M. Land Registry prior to completion and the Purchaser or the Purchaser's solicitors informed of the deposit number.
- 11.11 The Purchaser shall raise no objection or requisition regarding the contents or the absence from the title deduced of any licence to assign or underlet or to make alterations or change of user and /or notice of such assignment and/or under-letting or deed of memorandum of rent review. The Purchaser shall accept (save where the Special Conditions indicate otherwise) that such licences, notices of deeds and memoranda were lawfully issued.
- 11.12 The Vendor reserves the right to at any time before completion to let grant any licence to assign underlet or otherwise alienate the lease of any part of the Property or change the use or make alterations to any such part in each case without reference to the Purchaser.
- 12. INCLUDED ITEMS**
- 12.1 The Purchaser shall satisfy himself as to the ownership of all Included Items before making an offer thereof. Also the Purchaser shall satisfy himself whether or not the same are owned by the Vendor or the tenants of the Property, or are on hire or hire purchase from the relevant supply company.
- Neither the Vendor nor the Vendor's solicitors accept any responsibility in respect of payments which may be outstanding in respect thereof or any responsibility in the matter whatsoever.
- 12.2 All fixtures and fittings in the nature of tenants' trade fixtures and fittings are excluded from the sale.
- 13. PLANNING & BYE-LAW REGULATIONS**
- 13.1 No objection or requisition shall be raised as to the permitted user of the Property for the purposes of the Town & Country Planning Acts or as to any other matters arising under the said Acts or any rules or regulations made or arising thereunder or as to whether the Property or Included Items comply with all relevant bye-law rules and regulations relating thereto and the Purchaser shall take the Property and the said items as it is under the said Acts, rules and regulations and make no requisition or objection in respect of the actual existing use of the Property or the

- Included Items.
- 13.2 Nothing herein contained shall be deemed to constitute any warranty by the Vendor or the Auctioneers that the use of the Property or any part thereof is authorised under the said Planning Acts or any rules or regulations or otherwise for use for any specific purpose.
- 14. COMPLETION**
Completion shall be:
- 14.1 In the case of freehold property 28 days after the contract date.
- 14.2 In the case of leasehold property, the later of:
- 14.2.1 28 days after contract date or if later;
- 14.2.2 the first working day after the expiration of three days from the date on which the Vendor shall have obtained the reversioner's licence in accordance with National Condition 11 of the said National Conditions of Sale but without prejudice to the Purchaser's obligations hereunder if reversioner's licence shall not have been obtained within 3 months from the contract date, the Vendor may rescind this contract on the same terms as if the Purchaser had insisted in an objection the title to which the Vendor is unable to remove.
- 14.3 If the money due on completion is credited to the current account of the Vendor's solicitors after twelve noon on any day or where completion takes place after twelve noon on any day, then for all the purposes of these conditions such money shall be deemed to have been received or completion shall be deemed to have taken place (as the case may be) on the following working day.
- 14.4 If due to the default of the Purchaser completion does not take place at the date fixed for completion, the Purchaser shall pay the Vendor's solicitors costs plus VAT for recalculating the completion statement and serving a notice to complete, and any other costs reasonably incurred due to such default.
- 14.5.1 Pending completion the Vendor shall be at liberty to deal with all matters in relation to the management of the Property and to the performance of the landlord's covenants in any lease which the property is expressed to be subject. This shall include dealing with rent reviews, renewals of tenancies and grant of new tenancies and licences for such period. The Vendor shall be at liberty to instruct surveyors, solicitors, agents, contractors and others in connection with such matters and other matters properly arising before the actual completion. The costs and expenses thereof shall be payable by or reimbursed by the Purchaser to the Vendor.
- 14.5.2 Where any Notice under Section 146 of the Law of Property Act 1925 or any other notice relating to the Property or use or condition thereof has been served in respect of the Property, the Purchaser shall take over conduct of all matters arising out of the service of such Notice and any Counter Notice or other proceedings relating thereto and shall indemnify the Vendor and reimburse the Vendor on demand all fees and expenses properly incurred in relation thereto, whether or not such are ultimately recoverable by the Purchaser.
- 14.6 The Vendor shall be deemed to be ready and willing to fulfil the outstanding obligations under the contract notwithstanding that any mortgage or charge or the like affecting the Property shall not have been redeemed or discharged when any notice is given pursuant to Condition 22(1) of the National Conditions of Sale (20th Edition) if the aggregate of all sums payable to redeem all such mortgages and to discharge all such charges (to the extent that they affect the Property) does not exceed the price.
- 14.7 The Vendor shall not be required to deliver any Land Registry Form 53 or

- Application to Withdraw Notice of Deposit or discharged form of mortgage or charge upon completion.
- The Purchaser shall accept an undertaking from the Vendor's solicitors in the form recommended by the Law Society in respect thereof.
- 14.8 If completion would otherwise take place on a Saturday, Sunday or public holiday under the provisions of this clause completion shall take place on the working day immediately before such Saturday, Sunday or public holiday.
- 15. TRANSFER OR CONVEYANCE**
The Purchaser shall not be entitled to require the Vendor to convey the Property otherwise than to the Purchaser or by more than one transfer or conveyance and/or at a price greater than that specified in this agreement.
- 16. VAT**
In addition to the purchase consideration the Purchaser shall on completion pay any Value Added Tax that may be due in respect of such consideration and in respect of any other sums due in accordance with this Agreement. The consideration and other sums shall be exclusive of Value Added Tax. The Vendor will if required deliver to the Purchaser such evidence as shall be reasonably required in respect of such payment.
- 17. PROPERTIES OUTSIDE ENGLAND AND WALES**
The General Conditions will only apply to any property situated outside England and Wales so far as they do not conflict with or are consistent with the laws of the country or area where the Property is situated.
- 18. NOTICES TO PROSPECTIVE PURCHASERS**
The Purchaser and the Bidder shall be deemed to have fully considered and have full knowledge of and to have accepted the items referred to in the auction catalogue of the Auctioneers and in this catalogue relating to the Property headed 'Notices to Prospective Purchasers' which notices are incorporated into these conditions. The Bidder shall be the person who bids for and to whom the property is knocked down by the Auctioneers at the auction.
- 19. CLAUSE HEADINGS**
The clause headings shall be deemed to be for convenience or reference only and shall not be construed to be part of these conditions of sale.
- 20. SERVICE OF NOTICES**
- 20.1 Any notices required to be given to the Vendor under the terms of contract shall be deemed duly served if delivered by hand or sent by ordinary registered or recorded delivery post to the Vendor or the Vendor's solicitors at the address referred to in these terms or last known address.
- 20.2 Any notice required to be given or documents required to be sent hereunder shall be deemed duly delivered if delivered by hand or by ordinary registered or recorded delivery post to the Purchaser or the Purchaser's solicitors at the address or address referred to herein or the last known address as the case may be.
- 20.3 Such notice or documents shall be deemed to be delivered or served at the time when the same is delivered to such address or if served by post forty eight hours after the time of posting.



MEMORANDUM OF CONTRACT

LOT NUMBER.....

Agreement Date: 20

Vendor:

Purchaser:

Property: The property described in the Special Conditions of Sale relating to the above Lot number.

Name/Address of Purchaser's

Solicitors or other person to whom

property documents to be sent

Purchase Price: £

Deposit: £

Balance: £

The Vendor will sell and the Purchaser will buy the Property for the Purchase Price in accordance with and subject to the terms and conditions referred to in the General Conditions of Sale the relevant Particulars of Sale and the Special Conditions of Sale applying to the Property and any addenda, Special Conditions and other documents relating to the Property attached to this agreement.

The Auctioneers (as defined in the General Conditions of Sale) acknowledge receipt of the Deposit in part payment of the Purchase Price.

The Purchaser agrees to pay the balance of the Purchase Price and to complete the purchase in accordance with this agreement in all respects.

Signed by or on behalf of the Purchaser Signed by or on behalf of the Vendor