**INTRODUCTION**

The Common Auction Conditions have been produced for real estate auctions in England and Wales to set a common standard across the industry. They are in three sections:

**GLOSSARY**

The glossary gives special meanings to certain words used in both sets of conditions.

**AUCTION CONDUCT CONDITIONS**

The Auction Conduct Conditions govern the relationship between the auctioneer and anyone who has a catalogue, or who attends or bids at the auction. They cannot be varied without the auctioneer's agreement.

**SALE CONDITIONS**

The Sale Conditions govern the agreement between each seller and buyer. They include general conditions of sale and template forms of special conditions of sale, tenancy and arrears schedules and a sale memorandum.

**IMPORTANT NOTICE**

A prudent buyer will, before bidding for a lot at an auction:

- take professional advice from a conveyancer and, in appropriate cases, a chartered surveyor and an accountant;
- read the conditions;
- inspect the lot;
- carry out usual searches and make usual enquiries;
- check the content of all available leases and other documents relating to the lot;
- check that what is said about the lot in the catalogue is accurate;
- have finance available for the deposit and purchase price;
- check whether VAT registration and election is advisable;

The conditions assume that the buyer has acted like a prudent buyer. If you choose to buy a lot without taking these normal precautions you do so at your own risk.

**GLOSSARY**

This glossary applies to the auction conduct conditions and the sale conditions. Wherever it makes sense:

- singular words can be read as plurals, and plurals as singular words;
- a “person” includes a corporate body;
- words of one gender include the other genders;
- references to legislation are to that legislation as it may have been modified or re-enacted by the date of the auction or the contract date (as applicable);
- where the following words are printed in bold type they have the specified meanings.

**Actual completion date**

The date when completion takes place or is treated as taking place for the purposes of apportionment and calculating interest.

**Addendum**

An amendment or addition to the conditions or to the particulars or to both whether contained in a supplement to the catalogue, a written notice from the auctioneers or an oral announcement at the auction.

**Arrerages**

Arrears of rent and other sums due under the tenancies and still outstanding on the actual completion date.

**Arrears schedule**

The arrears schedule (if any) forming part of the special conditions.

**Auction**

The auction advertised in the catalogue.

**Auction conduct conditions**

The conditions so headed, including any extra auction conduct conditions.

**Auctioneers**

The auctioneers at the auction.

**Business day**

Any day except (a) a Saturday or a Sunday; (b) a bank holiday in England and Wales; or (c) Good Friday or Christmas Day.

**Buyer**

The person who agrees to buy the lot or, if applicable, that person's personal representatives if two or more are jointly the buyer their obligations can be enforced against them jointly or against each of them separately.

**Catalogue**

The catalogue to which the conditions refer including any supplement to it.

**Completion**

Unless otherwise agreed between seller and buyer (or their conveyancers) the occasion when both seller and buyer have complied with their obligations under the contract and the balance of the price is unconditionally received in the seller's conveyancers client account.

**Condition**

One of the auction conduct conditions or sales conditions.

**Contract**

The contract by which the seller agrees to sell and the buyer agrees to buy the lot.

**Documents**

Documents of title (including, if title is registered, the entries on the register and the title plan) and other documents listed or referred to in the special conditions relating to the lot.

**Financial charge**

A charge to secure a loan or other financial indebtedness (not including a rentcharge).

**General conditions**

That part of the sale conditions so headed, including any extra general conditions.

**Interest rate**

If not specified in the special conditions, 4% above the base rate from time to time of Barclays Bank plc. (The interest rate will also apply to judgment debts, if applicable.)

**Lot**

Each separate property described in the catalogue or (as the case may be) the property that the seller has agreed to sell and the buyer to buy (including chattels, if any).

**Old arrears**

Arrears due under any of the tenancies that are not “new tenancies” as defined by the Landlord and Tenant (Covenants) Act 1995.

**Practitioner**

An insolvency practitioner for the purposes of the Insolvency Act 1986 (or in relation to jurisdictions outside the United Kingdom, any similar official).

**Price**

The price that the buyer agrees to pay for the lot.

**Transfer**

Transfer includes a conveyance or assignment (and “to transfer” includes “to convey” or “to assign”).

**TUPE**

The Transfer of Undertakings (Protection of Employment) Regulations 2006.

**VAT**

Value Added Tax or other tax of a similar nature.

**Auction Conduct Conditions**

**A1 INTRODUCTION**

A1.1 Words in bold type have special meanings, which are defined in the Glossary.

A1.2 The catalogue is issued only on the basis that you accept these auction conduct conditions. They govern our relationship with you and cannot be disapproved or varied by the sale conditions (even by a condition purporting to replace the whole of the Common Auction Conditions). They can be varied only if we agree.

A2 OUR ROLE

A2.1 As agents for each seller we have authority to:

- prepare the catalogue from information supplied by or on behalf of each seller;
- offer each lot for sale;
- sell each lot;
- receive and hold deposits;
- sign each sale memorandum; and
- treat a contract as repudiated if the buyer fails to sign a sale memorandum or pay a deposit as required by these auction conduct conditions.

A2.2 Our decision on the conduct of the auction is final.

A2.3 We may cancel the auction, or alter the order in which lots are offered for sale. We may also combine or divide lots. A lot may be sold or withdrawn from sale prior to the auction.

A2.4 You acknowledge that to the extent permitted by law we owe you no duty of care and you have no claim against us for any loss.

A3 BIDDING AND RESERVE PRICES

A3.1 All bids are to be made in pounds sterling exclusive of any applicable VAT.

A3.2 We may refuse to accept a bid. We do not have to explain why.

A3.3 If there is a dispute over bidding we are entitled to resolve it and our decision is final.

A3.4 Unless stated otherwise each lot is subject to a reserve price (which may be fixed just before the lot is offered for sale). If no bid equals or exceeds that reserve price the lot will be withdrawn from the auction.

A3.5 Where there is a reserve price the seller may bid (or ask us or another agent to bid on the seller’s behalf) up to the reserve price but may not make a bid equal to or exceeding the reserve price. You accept that it is possible that all bids up to the reserve price are bids made by or on behalf of the seller.
A5.4 If a guide price (or range of prices) is given, that guide is the minimum price at which, or below which, the lot will not be sold.

A3.6 Where a guide price (or range of prices) is given that guide is the minimum price at which, or range of prices within which, the seller might be prepared to sell at the date of the guide price. The seller will not be held to accept a bid below that price, nor will it be held to accept a bid below any reserve price, but not always – as the seller may fix the final reserve price just before bidding commences.

A4. THE PARTICULARS AND OTHER INFORMATION

A4.1 We have taken reasonable care to prepare particulars that correctly describe each lot. The particulars are based on information supplied by or on behalf of the seller. You need to check that the information in the particulars is correct.

A4.2 If the special conditions do not contain a description of the lot, or simply refer to the relevant legal provisions, then we will not be responsible for the description in the particulars, or for the accuracy or inaccuracy, as the particulars have not been prepared by a conveyancer and are not intended to form part of a legal contract.

A4.3 The particulars and the sale conditions may change prior to the auction and it is your responsibility to check that you have the correct versions.

A4.4 If you provide information, or a copy of a document, prescribed by others we do so only on the basis that we are not responsible for the accuracy of that information or document.

A4.5 THE CONTRACT

A5.1 A successful bid is one that is accepted by the auctioneer. The contract consists of the special conditions and the sale conditions for the lot sold.

A5.2 You are obliged to buy the lot on the terms of the sale memorandum at the price you bid plus VAT (if applicable).

A5.3 You must before leaving the auction:
(a) provide all information reasonably needed from you to enable us to complete the sale memorandum (including proof of your identity if required by us);
(b) sign the completed sale memorandum; and
(c) pay the deposit.

A5.4 If you do not we may either:
(a) as agent for the seller, treat that failure as your repudiation of the contract and offer the lot for sale again; and
(b) where you have paid deposits by cheque or by banker’s draft payable to us on an approved financial institution.

A5.5 We may retain the sale memorandum signed by or on behalf of seller until the deposit has been received in cleared funds.

A5.6 If the buyer does not comply with its obligations under the contract then:
(a) you are personally liable to buy the lot but the seller has no right to enter into the contract as agent, and
(b) you must indemnify the seller in respect of any loss the seller incurs as a result of the buyer’s failure.

A5.7 Where the buyer is a company you warrant that the buyer is properly constituted and able to buy the lot.

A6. AUCTION CONDITION CONDUCTS

A6.1 Despite any special condition to the contrary the minimum deposit we accept is £3,000 (or the total price, if less). A special condition may however require a higher minimum deposit.

GENERAL CONDITIONS OF SALE

Words in bold type have special meanings, which are defined in the Glossary

G1. THE LOT

G1.1 The lot comprises (including any rights to be granted or reserved, and any exclusions from it) is described in the special conditions, or if not so described the lot is that referred to in this sale memorandum.

G1.2 The lot is sold subject to any incumbrances disclosed by the special conditions, but otherwise with vacant possession on completion.

G1.3 The lot is subject to all matters contained or referred to in the documents but excluding any financial charges: these must be discharged on or before completion.

G1.4 The lot is also subject to such of the following as may affect it, whether they arise before or after the contract date and whether or not they are disclosed by the seller or are apparent from inspection of the lot or from the documents.
(a) matters registered or capable of registration as local land charges;
(b) matters registered or capable of registration by any competent authority or under the provisions of any statute;
(c) matters relating to or affecting the lot or to the sale of the lot or to the use of the lot;
(d) the register to send the completed registration documents to the buyer.

G1.5 Where subject to which the lot is sold the seller will ensure that the buyer is liable to the seller is to comply with it and indemnify the seller against liability.

G1.6 The seller must notify the buyer of any notices, orders, demands, proposals and requirements of any competent authority which affects the lot or that he has failed to give the buyer the following:
(a) the register to send the completed registration documents to the buyer.
(b) the documents accompanying that application;
(c) the evidence of, and what could reasonably be discovered on inspection of it, that the information in the register to send the completed registration documents to the buyer.

G1.7 The lot does not include any tenant’s or trade fixtures or fittings.

G1.8 Where chattels are included in the lot the buyer takes them as they are at completion and the seller is not liable if they are not fit for use.

G1.9 The buyer buys with all knowledge of:
(a) the documents, whether or not the buyer has read them and
(b) the physical condition of the lot and what could reasonably be discovered on inspection of it, or what the seller has been asked to.

G1.10 The buyer is not to rely on the information contained in the particulars but may rely on the seller’s conveyancer’s written replies to preliminary enquiries to the extent stated in those replies.

G2. DEPOSIT

G2.1 The amount of the deposit is the greater of:
(a) any minimum deposit stated in the auction conduct conditions (or the total price, if this is less than that minimum), and
(b) 10% of the price (exclusive of any VAT on the price).

G2.2 The deposit

(a) must be paid in pounds sterling by cheque or banker’s draft drawn on an approved financial institution (or by any other means of payment that the auctioneers may accept); and
(b) will be held as stakeholder unless the lot is sold or the sale is completed. You provide that it is to be held as agent for the seller.

G2.3 When the auctioneers hold the deposit as stakeholder they are entitled to release it (and interest on it if applicable) to the seller on completion of the contract, or does not take place, to the person entitled to it under the sale conditions.

G2.4 If a cheque for all or part of the deposit cleared on first presentation the seller may treat the contract as at an end and bring a claim against the buyer for breach of contract.

G2.5 Interest earned on the deposit belongs to the seller unless the sale conditions provide otherwise.

G3. BETWEEN CONTRACT AND COMPLETION

G3.1 Unless the special conditions state otherwise, the seller is to insure the lot from and including the contract date to completion and
(a) is to pay the buyer any additional premium, reasonable endeavours to increase the sum insured or make changes to the policy.
(b) at the request of the buyer provide reasonable endeavours to have the buyer’s interest noted on the insurance. Where a guide price (or range of prices) is given, that guide is the minimum price at which, or below which, the lot will not be sold.

G3.2 No damage to or destruction of the lot nor any deterioration in its condition, however caused, entitles the buyer to any reduction in price or to delay completion, or to refuse to complete.

G3.3 Section 47 of the Property Act, 1992 does not apply.

G3.4 Unless the buyer is already lawfully in occupation of the lot the buyer has no right to enter into occupation prior to completion.

G4. TITLE AND IDENTITY

G4.1 Unless condition G4.2 applies the buyer accepts the title of the seller to the lot at the contract date and may raise no objection or exception in relation to any matter that occurs after the contract date.

G4.2 If any of the documents is not made available before the auction the following provisions apply:
(a) the buyer may raise no objection on or objection to any of the documents that is made available after the auction;
(b) if the lot is not registered subject to the restrictions in the section 3 condition, but otherwise the purchase price is made available before the auction, we will make available the sale memorandum and insurance details.

G5. TRANSFER

G5.1 Unless a form of transfer is prescribed by the special conditions
(a) the buyer must supply a draft transfer to the seller at least ten business days before the agreed completion date and the enrolement signed as a deed by the buyer if condition G5.2 applies, five business days before that date or (if later) two business days after the draft has been received by the seller.
(b) the seller must approve or revise the draft transfer within five business days of receiving it from the buyer.

G5.2 If the seller remains liable in any respect in relation to the lot (or any security) following completion, the buyer is to indemnify the seller against that liability.

G5.3 The seller cannot be required to transfer the lot to anyone other than the buyer, or by more than one transfer.

G6. COMPLETION

G6.1 Notice of completion to take place at the offices of the seller’s conveyancer or where the seller may reasonably require, on the agreed completion date. The seller can only be required to complete between 9.00 a.m. and between the hours of 9.00 and 5.00.

G6.2 The amount payable on completion is the balance of the price adjusted to take account of any apportionments plus (if applicable) VAT and interest.

G6.3 Payment is to be made in pounds sterling by
(a) direct transfer to the seller’s conveyancer’s client account; and
(b) the release of any deposit held by a stakeholder.

G6.4 Unless the seller and the buyer otherwise agree completion cannot take place until both have complied with their obligations under the contract and the balance of the price is unconditionally received in the seller’s conveyancer’s client account.

Common Auction Conditions (Edition 3) REPRODUCED WITH THE CONSENT OF THE RICS
G7.1 The buyer may on or after the agreed completion date but before completion give the other notice to complete within ten business days (excluding the date on which the notice is given) making time of the essence.

G7.2 The person giving the notice must be ready to complete.

G7.3 If the buyer fails to comply with a notice to complete the seller may, without affecting any other remedy available to the seller have:
(a) terminate the contract;
(b) claim the deposit and any interest on it if held by a stakeholder;
(c) forfeit the deposit and any interest on it;
(d) read the lot; and
(e) claim damages from the buyer.

G7.4 If the seller fails to comply with a notice to complete the buyer may, without affecting any other remedy available to the buyer have:
(a) terminate the contract; and
(b) recover the deposit and any interest on it from the seller or, if applicable, a stakeholder.

G8. If the contract is brought to an end
If the contract is lawfully brought to an end:
(a) the buyer must return all papers to the seller and appoints the seller’s agent to cancel any registration of the contract;
(b) the seller must return the deposit and any interest on it to the buyer (and the buyer may claim it from the stakeholder if applicable) unless the seller is entitled to forfeit the deposit under condition G7.3.

G9. landlord’s licence
Where the lot is or includes leasehold land and licence to assign is required this condition G9 applies.

G9.1 The contract is conditional on that licence being obtained by way of formal licence if that is what the landlord lawfully requires.

G9.2 The date of completion must not be earlier than the date five business days after the seller has given notice to the buyer that the licence has been obtained.

G9.3 The seller must:
(a) use all reasonable endeavours to obtain the licence at the seller’s expense and
(b) enter into any authorised guarantee agreement properly required.

G9.4 The buyer must:
(a) promptly provide references and other relevant information and
(b) comply with the landlord’s lawful requirements.

G9.6 If within three months of the contract date (or such longer period as the seller and buyer agree) the licence has not been obtained the seller or buyer may terminate the contract at any time before licence is obtained. That termination is without prejudice to the claims of either the buyer or seller for breach of this condition G9.

G10. interest and apportionments
G10.1 If completion takes place after 1000 hours for a reason other than the seller’s default it is to be treated for the purposes of apportionment and calculating interest, as if it had taken place on the next business day.

G10.4 If completion is delayed beyond the agreed completion date for any reason other than the seller’s default the buyer must pay interest at the interest rate on the price (less any deposit paid) from the agreed completion date up to and including the actual completion date.

G10.5 Subject to condition G11 the seller is not obliged to apportion or account for any sum at completion unless the seller has received that sum in cleared funds. The seller must pay to the buyer the entire apportionment any sum to which the buyer is entitled that the seller subsequently receives in cleared funds.

G10.6 Income and outgoings are to be apportioned at actual completion date unless:
(a) the buyer is liable to pay interest and
(b) the seller has given notice to the buyer at any time up to completion requiring apportionment on the date from which interest becomes payable by the buyer.

G10.7 If the income in event and outgoings are to be apportioned on the date from which interest becomes payable by the buyer.

G10.8 Apportionment is based on the basis that:
(a) the seller receives income and is liable for outgoings for the whole of the day on which apportionment is to be made;
(b) annual income and expenditure accrues at an equal daily rate assuming 365 days in a year, and income and expenditure relating to some other period accrues at an equal daily rate during the period to which it relates and
(c) where the amount to be apportioned is not known at completion apportionment is to be made by reference to a reasonable estimate and further payment is to be made by seller or buyer as appropriate within five business days of the date when the amount is known.

G11. arrears
G11.1 Current rent means in respect of each of the tenancies subject to which the lot is sold, the instalment of rent and other sums payable by the tenant in advance on the most recent rent payment date on or within four months preceding completion.

G11.2 If on completion there are any arrears of current rent the buyer must pay them, whether or not details of those arrears are given in the special conditions.

G11.3 Parts 2 and 3 of this condition G11 do not apply to arrears of current rent.

G11.4 Part 2 of this condition G11 applies where the special conditions give details of arrears.

G11.5 The buyer is on completion to pay in addition to any other money then due, an amount equal to all arrears of which details are set out in the special conditions.

G11.6 If those arrears are not old arrears the seller is not to assign to the buyer all rights that the seller has to recover those arrears.

G11.7 Part 3 of this condition G11 applies where the special conditions are:
(a) so state or
(b) give details of any arrears.

G11.8 While any arrears due to the seller remain unpaid the buyer must:
(a) try to collect them in the ordinary course of business but need not take legal proceedings or forfeit the tenancy;
(b) pay them to the seller within five business days of receipt in cleared funds (plus interest at the interest rate calculated on a daily basis for each subsequent days’ delay in payment);
(c) on receipt of any arrears assign to the seller or as the seller may direct the right to demand and sue for old arrears such assignment to be in such form as the seller’s conveyancer may reasonably require.

G11.9 Where the landlord has the right to recover arrears it must not without the buyer’s written consent bring in proceedings against a tenant or seek the removal of goods from the lot.

G12. management
G12.1 This condition G12 applies where the lot is subject to tenancies.

G12.2 The seller is to manage the lot in accordance with its standard management policies pending completion.

G12.3 The seller must consult the buyer on all management issues that would affect the buyer after completion (such as but not limited to, an application for licence; a rent review; a variation; surrender, agreement to surrender or proposed forfeiture of a tenancy, or a new tenancy or agreement to grant a new tenancy) and:
(a) if the seller must comply with the buyer’s reasonable requirements unless to do so would (but for the indemnity in paragraph (c) expose the seller to a liability that the seller would otherwise have, in which case the seller may act reasonably in such a way as to avoid that liability;
(b) if the seller gives the buyer notice of the seller’s intended act and the buyer does not object within five business days giving reasons for not objecting the action may be as the seller intends and
(c) the buyer is to indemnify the seller against all loss or liability the seller incurs through acting as the buyer requires or by reason of delay caused by the buyer.

G13. rent deposits
G13.1 This condition G13 applies where the seller is holding or is otherwise entitled to money by way of rent deposit in respect of a tenancy. In this condition G13 ‘rent deposit’ means the deed or other document under which the rent deposit is held.

G13.2 If the deposit is not assignable the seller must on completion hold the rent deposit on trust for the buyer and subject to the terms of the rent deposit deed comply at the cost of the buyer with the buyer’s lawful instructions.

G13.3 Otherwise the seller must on completion pay and assign its interest in the rent deposit to the buyer in an assignment in which the buyer covenants with the seller to:
(a) observe and perform the seller’s covenants and conditions in the rent deposit deed and indemnify the seller in respect of any breach;
(b) give notice of assignment to the tenant; and
(c) give such direct covenant to the tenant as may be required by the rent deposit deed.

G14. VAT
G14.1 Where a sale condition requires money to be paid or other consideration to be given, the payer must account for any VAT that is chargeable on that money or consideration, but only if the VAT exceeds 1%. Where the VAT exceeds 1% the VAT becomes chargeable.

G14.2 Where the special conditions state that no VAT option has been made the seller confirms that none has been made by it or by any company in the same VAT group nor will be prior to completion.

G15. transfer as a going concern
G15.1 Where the special conditions state that:
(a) the buyer and the seller intend, and will take all practicable steps (short of an appeal) to procure that the sale is treated as a transfer of a going concern; and
(b) the rent deposit is not assignable the buyer must on completion hold the rent deposit on trust for the buyer and subject to the terms of the rent deposit deed comply at the cost of the buyer with the buyer’s lawful instructions.

G15.2 The seller confirms that the buyer:
(a) is registered for VAT, either in the buyer’s name or as a member of the same VAT group; and
(b) has made a VAT option in relation to the sale of the lot.

G15.3 The buyer confirms that:
(a) it is registered for VAT, either in the buyer’s name or as a member of a VAT group; and
(b) it has made, or will make before completion, a VAT option in relation to the lot and will not revoke it before or within three months after completion.

G15.4 The buyer is to give to the seller as early as possible before the agreed completion date evidence:
(a) of the buyer’s VAT registration;
(b) that the buyer has made a VAT option; and
(c) that the VAT option has been notified in writing to HM Revenue and Customs; and
(d) if it does not produce the relevant evidence at least by two business days before the agreed completion date condition G14.1 applies at completion.

G15.5 The buyer confirms that after completion the buyer intends to:
(a) retain and manage the lot for the buyer’s own benefit as a continuing business as a going concern subject to and with the benefit of the tenancies; and
(b) collect the rent payable under the tenancies and charge VAT on them.

G16. capital allowances
G16.1 This condition G16 applies where the special conditions state that there are capital allowances available in respect of the lot.

G16.2 The seller is promptly to supply the buyer all information reasonably required by the buyer in connection with the buyer’s claim for capital allowances.

G16.3 The value to be attributed to those items on which capital allowances may be claimed is set out in the special conditions.

G17. maintenance agreements
G17.1 The seller agrees to use reasonable endeavours to transfer to the buyer, at the buyer’s cost, the benefit of the maintenance agreements specified in the special conditions.
G17.2 The buyer must assume and indemnify the seller in respect of all liability under such contracts from the actual completion date.

G18. LANDLORD AND TENANT ACT 1987

G18.1 This condition G18 applies where the sale is a relevant disposal for the purposes of part I of the Landlord and Tenant Act 1987.

G18.2 The seller warrants that the buyer has complied with sections 5B and 7 of that Act and that the requisite majority of qualifying tenants has not accepted the offer.

G19. SALE BY PRACTITIONER

G19.1 This condition G19 applies where the sale is by a practitioner either as seller or as agent of the seller.

G19.2 The practitioner has been duly appointed and is empowered to sell the lot.

G19.3 Neither the practitioner nor the firm or any member of the firm to which the practitioner belongs has any personal liability in connection with the sale or the performance of the seller’s obligations. The transfer is to include a declaration excluding that personal liability.

G19.4 The lot is sold:
(a) in its condition at completion;
(b) for such title as the seller may have and
(c) with no title guarantee;
and the buyer has no right to terminate the contract or any other remedy if information provided about the lot is inaccurate, incomplete or missing.

G19.5 Where relevant:
(a) the documents must include certified copies of those under which the practitioner is appointed the document of appointment and the practitioner’s acceptance of appointment and
(b) the seller may require the transfer to be by the lessor exercising its power of sale under the Act of Powers 1925.

G19.6 The buyer understands this condition G19 and agrees that it is in the circumstances of a sale by a practitioner.

G20. TUPE

G20.1 If the special conditions state “There are no employees to which TUPE applies”, this is a warranty by the seller to this effect.

G20.2 If the special conditions do not state “There are no employees to which TUPE applies” the following paragraphs apply:
(a) the seller must notify the buyer of those employees whose contracts of employment will transfer to the buyer on completion (the “Transferring Employees”). This notification must be given to the buyer not less than 14 days before completion.
(b) The buyer must receive from the Transferring Employers, and the seller will transfer to the buyer on completion:
(c) the buyer and the seller acknowledge that pursuant and subject to TUPE, the contracts of employment between the Transferring Employees and the seller will transfer to the buyer on completion.
(d) The buyer is to keep the seller indemnified against all liability for the Transferring Employees after completion.

G21. ENVIRONMENTAL

G21.1 This condition G21 only applies where the special conditions so provide.

G21.2 The seller has made available such reports as the seller has as to the environmental condition of the lot and has given to the buyer the opportunity to carry out investigations (whether or not the buyer has read those reports or carried out any investigation) and the buyer admits that the price takes into account the environmental condition of the lot.

G21.3 The buyer agrees to indemnify the seller in respect of all liability for or resulting from the environmental condition of the lot.

G22. SERVICE CHARGE

G22.1 This condition G22 applies where the lot is sold subject to tenancies that include service charge provisions.

G22.2 No apportionment is to be made at completion in respect of service charges.

G22.3 Within two months after completion the seller must provide to the buyer a detailed service charge account for the service charge year current on completion showing:
(a) service charge expenditure attributable to each tenancy;
(b) payments on account of service charge received from each tenant;
(c) any amounts due from a tenant that have not been received;
(d) any service charge expenditure that is not attributable to any tenancy and is for that reason irrecoverable.

G22.4 In respect of each tenancy, if the service charge account shows that:
(a) payments on account (whether received or still due from a tenant) exceed attributable service charge expenditure, the seller must pay to the buyer an amount equal to the excess when it provides the service charge account;
(b) attributable service charge expenditure exceeds payments on account (whether those payments have been received or are still due then), the buyer must use all reasonable endeavours to recover the shortfall from the tenant at the next service charge reconciliation date and pay the amount so recovered to the seller within five business days of receipt in cleared funds;
but in respect of payments on account that are still due from a tenant condition G11 (arrears) applies.

G22.5 In respect of service charge expenditure that is not attributable to any tenancy the seller must pay the expenditure incurred in respect of the period before actual completion date and the buyer must pay the expenditure incurred in respect of the period after actual completion date. Any necessary monetary adjustment is to be made within five business days of the seller providing the final service charge account to the buyer.

G22.6 If the seller holds any reserve or sinking fund on account of future service charge expenditure or a depreciation fund:
(a) the seller must pay it (including any interest earned on it) to the buyer on completion and
(b) the buyer must covenant with the seller to hold it in accordance with the terms of the tenancies and to indemnify the seller if it does not so do.

G23. RENT REVIEWS

G23.1 This condition G23 applies where the lot is sold subject to a tenancy under which a rent review due on or before the actual completion date has not been agreed or determined.

G23.2 The seller must complete rent reviews up to the actual completion date but may not agree the level of the revised rent or commence rent review proceedings without the written consent of the buyer. Any such consent not to be unreasonably withheld or delayed.

G23.3 Following completion the buyer must complete rent review negotiations or proceedings as soon as reasonably practicable but may not agree the level of the revised rent without the written consent of the seller, such consent not to be unreasonably withheld or delayed.

G23.4 The seller must promptly:
(a) give to the buyer full details of all rent review negotiations and proceedings, including copies of correspondence and other papers; and
(b) use all reasonable endeavours to substitute the buyer for the seller in any rent review proceedings.

G23.5 The seller and the buyer are to keep each other informed of the progress of the rent review and have regard to any proposals the other may make in relation to it.

G23.6 When the rent review has been agreed or determined the buyer must account to the seller for any increased rent and interest recovered from the tenant that relates to the seller’s period of ownership of the lot. The seller must promptly:
(a) give to the buyer full details of all rent review negotiations and proceedings, including copies of correspondence and other papers; and
(b) use all reasonable endeavours to substitute the buyer for the seller in any rent review proceedings.

G23.7 If a rent review is agreed or determined before completion but the increased rent and any interest recoverable from the tenant has not been received by completion the increased rent and any interest recoverable is to be treated as arrears.

G23.8 The seller and the buyer are to bear their own costs in relation to rent review negotiations and proceedings.

G24. TENANCY RENEWALS

G24.1 This condition G24 applies where the tenant under a tenancy has the right to remain in occupation under part I of the Landlord and Tenant Act 1954 (as amended) and references to notices and proceedings are to notices and proceedings under that Act.

G24.2 Where practicable, without exposing the seller to liability or penalty the seller must not without the written consent of the buyer (which the buyer must not unreasonably withhold or delay) serve or respond to any notice or begin or continue any proceedings.

G24.3 If the seller receives a notice the seller must send a copy to the buyer within five business days and act as the buyer reasonably directs in relation to it.

G24.4 Following completion the buyer must:
(a) with the co-operation of the seller take immediate steps to substitute itself as a party to any proceedings;
(b) use all reasonable endeavours to conclude any proceedings or negotiations for the renewal of the tenancy and the determination of any interim rent as soon as reasonably practicable at the best rent or rents reasonably obtainable and
(c) if any increased rent is recovered from the tenant (whether as interim rent or under the renewed tenancy) account to the buyer for the part of that increase that relates to the seller’s period of ownership of the lot within five business days of receipt in cleared funds.

G24.5 The seller and the buyer are to bear their own costs in relation to the renewal of the tenancy and any proceedings relating to this.

G25. WARRANTIES

G25.1 Available warranties are listed in the special conditions.

G25.2 Where a warranty is assignable the seller must:
(a) on completion assign it to the buyer and give notice of assignment to the person who gave the warranty; and
(b) apply for (and the seller and the buyer must use all reasonable endeavours to obtain) any consent to assign that is required. If consent has not been obtained by completion the warranty must be assigned within five business days after the consent has been obtained.

G25.3 If a warranty is not assignable the seller must after completion:
(a) hold the warranty on trust for the buyer; and
(b) at the buyer’s cost comply with such of the lawful instructions of the buyer in relation to the warranty as do not place the seller in breach of its terms or expose the seller to any liability or penalty.

G26. NO ASSIGNMENT

The buyer must not assign, mortgage or otherwise transfer part with the whole or any part of the buyer’s interest under this contract.

G27. REGISTRATION AT THE LAND REGISTRY

G27.1 This condition G27.1 applies where the lot is leasehold and its sale either triggers first registration or is a registrable disposition.

The buyer must at its own expense and as soon as practicable:
(a) procure that it becomes registered at Land Registry as proprietor of the lot.
(b) procure that all rights granted and reserved by the lease under which the lot is held are properly noted against the affected titles and
(c) provide to the seller an official copy of the register relating to such lease showing itself registered as proprietor.

G27.2 This condition G27.2 applies where the lot comprises part of a registered title.

The buyer must at its own expense and as soon as practicable:
(a) apply for registration of the transfer;
(b) provide the seller with an official copy and title plan for the buyer’s new title and
(c) join in any representations the seller may properly make to Land Registry relating to the application.

G28. NOTICES AND OTHER COMMUNICATIONS

G28.1 All communications, including notices, must be in writing. Communication to or by the buyer or the seller may be given to or by their conveyancers.

G28.2 A communication may be relied on if:
(a) delivered by hand or
(b) made electronically and personally acknowledged (automatic acknowledgement does not constitute delivery),
(c) there is proof that it was sent to the address of the person to whom it is to be given (as specified in the solicitors memorandum) by a postal service that operates normally to deliver mail the next following business day.

G28.3 A communication is to be treated as received:
(a) when delivered, if delivered by hand;
(b) when personally acknowledged, if made electronically; or
(c) when delivered, if delivered by hand; or when personally acknowledged, if made electronically but if delivered or made after 1700 hours on a business day a communication is to be treated as received on the next business day.

G28.4 A communication sent by a postal service that normally delivers mail the next following business day will be treated as received on the second business day after it has been posted.

G29. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No one is intended to have any benefit under the contract pursuant to the Contract (Rights of Third Parties) Act 1999.