Common Auction Conditions (Edition 3, August 2009) Reproduced with the consent of the RICS

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 change without the auctioneer’s agreement. We recommend that these conditions are set out in a two-part notice to bidders in the auction catalogue, part one containing advisory material, which auctioneers can tailor to their needs – and part two the auction conduct conditions.

Sale Conditions
The Sale Conditions govern the agreement between each seller and buyer. They include general conditions, 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 financial availability 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 a person include the other persons;
- references to legislation are to the legislation as it may have been modified or re-enacted by the date of the auction or the contract date (as applicable); and
- where the following words are printed in bold black type appear in bold blue 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 auctioneer on an oral announcement at the auction.

Agreed completion date
Subject to condition G7:
(a) the date specified in the special conditions;
(b) if no date is specified, 20 business days after the contract date; but if that date is not a business day the first subsequent business day.

Approved financial institution
Any bank or building society that has signed up to the Banking Code or Business Banking Code or is otherwise acceptable to the auctioneer.

Arrears
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 real auction 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.

Compilation
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 irrevocably received by the seller’s conveyancer’s client account.

Condition
One of the auction conduct conditions or sale conditions.

Contract date
The date the auction or, if the lot is not sold at the auction:
(a) the date of the sale memorandum signed by both the seller and buyer; or
(b) if contracts are exchanged, the date of exchange. If exchange is not effected in person or by an irrevocable agreement by exchange made by telephone, fax or electronic mail the date of exchange is the date on which both parties have been signed and posted or otherwise placed beyond normal retrieval.

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 in debtiness (not including a renegotiation).

G9.3:
“Person” includes a person (as applicable); and
“A person” includes corporate body;
“Words in bold black type” have the specified meanings:
“References to legislation” are to the legislation as it may have been modified or re-enacted by the date of the auction or the contract date (as applicable); and
“Where the following words are printed in bold black type appear in bold blue type they have the specified meanings:

Auction Conduct Conditions

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

A2 Our role
A2.1 As agents for each seller we have authority to:
(a) prepare the catalogue from information supplied by or on behalf of each seller;
(b) offer each lot for sale;
(c) sell each lot;
(d) receive and hold deposits;
(e) sign each sale memorandum; and
(f) inform a contractor that 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 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 must be 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 an agreed minimum or maximum price or a reserve price both you and the seller may have agreed to be met or exceeded by the winning bid. You accept that it is possible that all bids up to the reserve price are bids made by or on behalf of the seller.
A3.4 Unless otherwise agreed each lot is subject to a reserve price which (may be fixed) just before the lot is offered for sale as an agreed or open reserve price or if the reserve price is not open and if the reserve price is not met 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 bid on the seller’s behalf. The reserve price may not be a bid bid or exceeded by the winning bid. You accept that it is possible that all bids up to the reserve price are bids made by or on behalf of the seller.
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 lot will also apply to judgment debts, if applicable.)
A3.7 Subject to condition G3:
(a) the date specified in the special conditions;
(b) if no date is specified, 20 business days after the contract date; but if that date is not a business day the first subsequent business day.

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

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.

A4.4 If a lot fails to sell for any reason then:
(a) a successful bid is one being ready to complete the purchase in accordance with the conditions of sale and the terms of the contract of sale for the sale of the lot are recorded.
(b) the person selling the lot on whose behalf that failure is recorded is entitled to resolve it, and
(c) payment of the deposit.

A5 The particular and other information
A5.1 A successful bid is one being ready to complete the purchase in accordance with the conditions of sale and the terms of the contract of sale for the sale of the lot are recorded.
A5.2 If the special conditions do not contain a description of the lot, or simply refer to the relevant lot number, you take the risk that the description contained in the particulars is incomplete or inaccurate, as the particulars have not been prepared by a conveyancer and are not intended to form part of a legal contract. A5.3 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.
A5.4 You acknowledge, information, or a copy of a document, provided by others we do so only on the basis that we are not responsible for the accuracy of that information or document.

A5 The contract
A5.1 A successful bid is one being ready to complete the purchase in accordance with the conditions of sale and the terms of the contract of sale for the sale of the lot are recorded.
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) know all the information reasonably need from you to enable us to complete the sale memorandum (including proof of your identity if required by us); and
(b) sign the completed sale memorandum.

A5.4 You do not have to explain why.

A4.2 If you are entitled to buy the lot on terms of the sale memorandum at the price you bid plus VAT if applicable.
A4.3 You must before leaving the auction:
(a) know all the information reasonably from you to enable us to complete the sale memorandum (including proof of your identity if required by us); and
(b) sign the completed sale memorandum.

A5.5 You must before leaving the auction:
(a) know all the information reasonably need from you to enable us to complete the sale memorandum (including proof of your identity if required by us); and
(b) sign the completed sale memorandum.

A4.4 If you are entitled to buy the lot on terms of the sale memorandum at the price you bid plus VAT if applicable.

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A4.4 If you are entitled to buy the lot on terms of the sale memorandum at the price you bid plus VAT if applicable.

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(a) know all the information reasonably need from you to enable us to complete the sale memorandum (including proof of your identity if required by us); and
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(a) know all the information reasonably need from you to enable us to complete the sale memorandum (including proof of your identity if required by us); and
(b) sign the completed sale memorandum.

A5.4 You do not have to explain why.
General Conditions

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

The general conditions (including any extra general conditions) apply to the contract except to the extent that they are varied by special conditions or by an addendum.

G1. The lot

G1.1 The lot (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 the sale memorandum.

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

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

G1.4 The lot is also sold subject to such of the following as may affect it, whether they be inscribed in the register or not, 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) notices, orders, demands, proposals and requirements of any competent authority;
(d) changes, notices, orders, restrictions, agreements and other matters relating to town and country planning, highways or public health;
(e) rights, easements, profits, royalties, waysleaves;
(f) any interest which overrides, within the meaning of the Land Registration Act 2002, matters registered, or capable of registration, and whether or not they are disclosed by the seller or are apparent from inspection of the lot or from the documents.

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 bank; and
(b) must be paid by the buyer on or before the contract date.

G2.3 Where the auctioneers hold the deposit as stakeholder they are authorised to

(a) promptly provide references and other relevant information; and
(b) claim the deposit and any interest on it if held by a stakeholder;

G2.4 If a cheque for all or part of the deposit is not cleared on first presentation the auctioneers may rely on the deposit and may accept; and

(c) the auctioneers may treat the deposit and any interest on it as if held by a stakeholder in accordance with the auction conduct conditions.

G2.5 The auctioneers are not liable if they are not fit for use.

G2.6 If the deposit is not made available before the contract date the following apply:

(a) the auctioneers are to be treated, for the purposes of apportionment and calculating interest, as if it had taken place on the next business day.

G3. Between contract and completion

G3.1 Unless the lot is registered land the seller is to give to the buyer within five business days of the contract date an official copy of the entries on the register and title plan and, where noted on the register, of all documents subject to which the lot is being sold.

(c) if the lot is registered land the seller is to give to the buyer within five business days an extract or epitome of title to the land and any other documents necessary to complete the transfer.

G4. 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 to any of the documents that is made available after the auction.

(b) if the lot is registered land the seller is to give to the buyer within five business days of the contract date an official copy of the entries on the register and title plan and, where noted on the register, of all documents subject to which the lot is being sold.

(c) if the lot is not registered land the seller is to give to the buyer within five business days an extract or epitome of title to the land and any other documents necessary to complete the transfer.

(d) if title is in the course of registration or is registered title is to consist of certified copies of:

(i) the application for registration of title made to the land registry;
(ii) the documents accompanying that application;
(iii) evidence that all applicable stamp duty land tax relating to that application has been paid; and
(iv) a letter under which the seller or its conveyancer agrees to use all reasonable endeavours to answer any queries raised by the land registry and to instruct the land registry to send the completed registration documents to the buyer.

(e) the buyer has no right to object to or make any queries on title information more than seven business days after that information has been given to the buyer.

G4.2 Unless otherwise stated in the auction conduct conditions the seller sells with full and unconditional guarantees and waives all objections to:

(a) the right of any tenant or other third party to any tenancy or interest in the lot;
(b) the equitable or other rights or interests of any person in possession or occupation of the lot or for the benefit of any claim;
(c) matters registered or capable of registration as local land charges;
(d) matters registered or capable of registration by any competent authority or under the provisions of any statute;
(e) notices, orders, demands, proposals and requirements of any competent authority;
(f) changes, notices, orders, restrictions, agreements and other matters relating to town and country planning, highways or public health;
(g) rights, easements, profits, royalties, waysleaves;
(h) any interest which overrides, within the meaning of the Land Registration Act 2002, matters registered, or capable of registration, and whether or not they are disclosed by the seller or are apparent from inspection of the lot or from the documents.

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 engagement (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 approved by the seller; and
(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 a tenancy) following completion the buyer is specifically to covenant in the transfer 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 Completion is to take place at the offices of the seller's conveyancer, or where the seller reasonably requires, on the agreed completion date. The seller can only be required to complete on a business day and between the hours of 0930 and 1700.

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

G6.3 Payment is to be made in pounds sterling and only 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 parties have fulfilled their obligations under the contract and the balance of the price is unconditionally received in the seller's conveyancer's client account.

G6.5 If completion takes place after 1400 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.

G6.6 Where applicable the contract remains in force following completion.

G7. Notice to complete

G7.1 The seller or 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 it clear whether:

G7.2 The person giving the notice must be:

(a) the seller or the buyer or
(b) any other remedy the buyer has:

(a) the seller or the buyer or
(b) the lot and
(c) claim damages from the seller.

G7.4 If the seller fails to comply with a notice to complete the buyer may, without affecting any other remedy the buyer has:

(a) terminate the contract;
(b) claim the deposit and any interest on it if held by a stakeholder;
(c) any other remedy the seller has:

(a) the seller or the buyer or
(b) the lot and
(c) claim damages from the buyer.

G7.5 If the contract is brought to an end if the contract is lawfully brought to an end:

(a) the buyer must return all papers in their possession to the seller and appoints the seller's agent to cancel the contract;
(b) the seller must return the deposit and any interest on it to the buyer (and the buyer may, if he claims it from the stakeholder, if any) unless the seller is entitled to forfeit the deposit under condition G7.3.

G8. The seller's licence

G8.1 Where the lot is or includes leasehold land and licence to assign is required this condition applies.

G9.2 The contract is conditional on that licence being obtained, by way of formal licence if that is what the landlord lawfully requires.

G9.3 The agreed completion date is not to be earlier than the date five business days after the seller has given notice to the buyer that licence has been obtained.

G9.4 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.

G9.5 The buyer must:

(a) provide timely and accurate information 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 before the contract date as the seller and buyer agree) the licence has not been obtained the seller or the buyer may (if not then in breach of any obligation under this condition G9) by notice to the other terminate the contract at any time before licence is obtained. That termination is without prejudice to the claim of either seller or buyer for or in respect of this condition G9.
G10. Interest and apportionments

G10.1 If the actual completion date is after the agreed completion date for any reason other than the buyer's default at the interest rate on the price (less any deposit paid) from the agreed completion date up to and including the actual completion date.

G10.2 Subject to conditions 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 after completion any sum to which the buyer is entitled that the seller subsequently receives in cleared funds.

G10.3 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 seller, in which case the period in which income and expenditure accrues is to be apportioned on the date from which interest becomes payable by the buyer.

G10.4 Income and expenditure accruing at an equal daily rate assuming 365 days in a year, and income and expenditure relating to some other period accrue 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 buyer or seller as appropriate within five business days of the date when the amount is known.

G11. Arrears

Part 1 Current rent

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

G11.2 If on completion there are any arrears of current rent the buyer must pay those arrears which are given in the special conditions.

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

Part 2 Buyer to pay for arrears

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 the arrears which is set out in the special conditions.

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

Part 3 Buyer not to pay for arrears

G11.7 Where this condition G11 applies the special conditions:

(a) so state; or

(b) give no 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 day's delay in payment);

(c) on request at the cost of the seller, 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;

(d) if reasonable steps are not taken by the buyer to recover the arrears, assume, and indemnify the seller against the counterparty to any contract of tenancy under which the arrears are due; and

(f) if the buyer disposes of the lot prior to recovery of all arrears obtain from the buyer the buyer's written consent to any voluntary 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 sold subject to tenancies.

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

G12.3 The buyer may consult the seller 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) the seller must comply with the buyer's reasonable requirements unless to do so would result in indemnity in paragraph (c) expose the buyer to a liability that the seller would not otherwise have, in which case the seller may act reasonably in such a way as to avoid that liability;

(b) if the seller informs the buyer of the decision of the tenant or the buyer of the decision of the tenant, the seller must comply with the buyer's reasonable requirements unless to do so would result in indemnity in paragraph (c) expose the buyer to a liability that the seller would not otherwise have, in which case the buyer may act reasonably in such a way as to avoid that liability; and

(c) the buyer must indemnify the seller against all loss or liability the buyer 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 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 rent 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, convey the proceeds of the deposit to the buyer in the manner agreed by the buyer and the seller.

G13.3 Otherwise the seller must on completion pay and assign its interest in the rent deposit to the buyer under 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 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 also pay any VAT that is chargeable on that money or consideration, but only if given a valid VAT invoice.

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 seller and the buyer 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) this condition G15 applies.

G15.2 The seller confirms that the seller

(a) is registered for VAT, either in the seller's name or as a member of the same VAT group; and

(b) has (unless the sale is a standard-rated supply) made in relation to the lot a VAT option that remains valid and will not be revoked before completion.

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;

(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;

(c) article 5(2B) of the Value Added Tax (Special Provisions) Order 1995 does not apply to it; and

(d) it is not buying the lot as a nominee for another person.

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 if it does not produce the relevant evidence at least 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 business purposes in continuing business as a going concern subject to and with the benefit of the tenancies; and

(b) collect the rents payable under the tenancies and charge VAT on them.

G15.6 If, after completion, it is found that the sale of the lot is not a transfer of a going concern then:

(a) the seller's conveyancer is to notify the buyer's conveyancer of that finding and provide a VAT registration number or otherwise effect a transfer of the VAT registration number of the seller against the sale of the lot;

(b) the buyer must within five business days of receipt of the VAT invoice pay to the seller the VAT due; and

(c) the buyer will indemnify the seller because the buyer has not complied with condition G15, the buyer must pay and indemnify the seller against all costs, interest, penalties or surcharges that the seller incurs as a result.

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 to 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.

G16.4 The seller and buyer agree:

(a) to make an election on completion under Section 198 of the Capital Allowances Act 2001 to give effect to this condition G16; and

(b) to submit the value specified in the special conditions to HM Revenue and Customs for the purposes of their respective capital allowance computations.

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 in respect of the sale:

(a) the documents must include certified copies of those under which the practitioner

(b) the seller may require the transfer to be by the lender exercising its power of sale under the Law of Property Act 1925.

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 owner 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) as a 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 include certified copies of those under which the practitioner is appointed;

(b) the seller may require the transfer to be by the lender exercising its power of sale under the Law of Property Act 1925.

G19.6 The buyer understands this condition G19 and agrees that it is fair 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" then the following paragraphs apply:

(a) the buyer 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 no less than 14 days before completion.

(b) The buyer confirms that it will comply with its obligations under TUPE and any special conditions in respect of the Transferring Employees.

(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 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 then 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 may 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 two 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 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 to it (including any interest earned on it) to the buyer on completion;
(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 do so.

G23. Rent reviews
G23.1 This condition G23 applies where the lot is sold subject to a tenancy under which a rent review takes place on or before the actual completion date has not been agreed or determined.
G23.2 If the seller may continue negotiations or rent review proceedings 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, 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 all 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 makes 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 within five business days of receipt of cleared funds.
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
G24.1 Tenancy provisions
G24.2 This condition G24 applies where the tenant under a tenancy has the right to remain in occupation under part II of the Landlord and Tenant Act 1954 (as amended) and references to notices and proceedings are to notices and proceedings under that Act.

G24.20 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.
G24.21 If the seller receives a rent review 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.
G24.22 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 to consider any proposals the seller makes in relation to it; and
(c) provide the seller with a full and complete copy of the negotiations 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;
(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 or part with the whole or any part of the buyer’s interest under this contract.

G27. Registration
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 the seller with 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 seller or the buyer may be given to or by their conveyancers.
G28.2 A communication may be relied on if:
(a) delivered by hand;
(b) made electronically and personally acknowledged (automatic acknowledgement does not suffice); or
(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 sale memorandum) by a postal service that offers normally to deliver mail the next following business day.
G29.3 A communication is to be treated as received:
(a) when delivered, if delivered by hand; or
(b) when personally acknowledged, if made electronically; but if delivered or made after 1700 hours on any day (or the next business day) a communication is to be treated as received on the next business day.
G29.4 A communication sent by a postal service that offers normally to deliver 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 Contracts (Rights of Third Parties) Act 1999.

G30. Extra General Conditions.