

common auction conditions

(4th Edition 2018)

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Common Auction Conditions for Real Estate Auctions

4th edition

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Introduction

The Common Auction Conditions are designed for real estate auctions, to set a consistent practice across the industry. There are three sections, all of which must be included without variation, except where stated:

Glossary

The glossary gives special meanings to certain words used in the conditions.

Auction Conduct Conditions

The Auction Conduct Conditions govern the relationship between the auctioneer and anyone who participates in the auction. They apply wherever the property is located, and cannot be changed without the auctioneer's agreement.

We recommend that these conditions are set out in a two-part notice to bidders, part one containing advisory material – which auctioneers can tailor to their needs – and part two the auction conduct conditions and any extra auction conduct conditions.

Sale Conditions

The Sale Conditions apply only to property in England and Wales, and 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. They must not be used if other standard conditions apply.

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	CONDITIONS, or if not so described is that referred to in the SALE MEMORANDUM.		made to the Land Registry and of the DOCUMENTS accompanying that application;		(a) use all reasonable endeavours to obtain the licence at the SELLER'S expense; and
G1.2	The LOT is sold subject to any TENANCIES disclosed by the SPECIAL CONDITIONS, but otherwise with vacant possession on COMPLETION.		(ii) evidence that all applicable stamp duty land tax relating to that application has been paid; and		(b) enter into any Authorised Guarantee Agreement ("AGA") properly required (procuring a guarantee of that AGA if lawfully required by the landlord).
G1.3	The LOT is sold subject to all matters contained or referred to in the DOCUMENTS. The SELLER must discharge FINANCIAL CHARGES on or before COMPLETION.		(iii) a letter under which the SELLER or its conveyancer agrees to use all reasonable endeavours to answer any requisitions raised by the Land Registry and to instruct the Land Registry to send the completed registration DOCUMENTS to the BUYER.	G9.5	The BUYER must promptly (a) provide references and other relevant information; and (b) comply with the landlord's lawful requirements.
G1.4	The LOT is also sold 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:		(d) The BUYER has no right to object to or make requisitions on any title information more than seven BUSINESS DAYS after that information has been given to the BUYER.	G9.6	If within three months of the CONTRACT DATE (or such longer period as the SELLER and BUYER agree) the SELLER has not given licence notice to the BUYER 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 the SELLER has given licence notice. That termination is without prejudice to the claims of either SELLER or BUYER for breach of this CONDITION G9.
	(a) matters registered or capable of registration as local land charges;	G4.3	Unless otherwise stated in the SPECIAL CONDITIONS the SELLER sells with full title guarantee except that (and the TRANSFER shall so provide):		
	(b) matters registered or capable of registration by any competent authority or under the provisions of any statute;		(a) the covenant set out in section 3 of the Law of Property (Miscellaneous Provisions) Act 1994 shall not extend to matters recorded in registers open to public inspection; these are to be treated as within the actual knowledge of the BUYER; and		
	(c) notices, orders, demands, proposals and requirements of any competent authority;		(b) the covenant set out in section 4(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall not extend to any condition or tenant's obligation relating to the state or condition of the LOT where the LOT is leasehold property.	G10	Interest and apportionments
	(d) charges, notices, orders, restrictions, agreements and other matters relating to town and country planning, highways or public health;		(c) the SELLER must approve or revise the draft TRANSFER within five BUSINESS DAYS of receiving it from the BUYER.	G10.1	If the ACTUAL COMPLETION DATE is after the AGREED COMPLETION DATE for any reason other than the SELLER'S default the BUYER must pay interest at the INTEREST RATE on the money due from the BUYER at COMPLETION for the period starting on the AGREED COMPLETION DATE and ending on the ACTUAL COMPLETION DATE.
	(e) rights, easements, quasi-easements, and wayleaves;	G4.4	The TRANSFER is to have effect as if expressly subject to all matters subject to which the LOT is sold under the CONTRACT.	G10.2	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 promptly pay to the BUYER after COMPLETION any sum to which the BUYER is entitled that the SELLER subsequently receives in cleared funds.
	(f) outgoings and other liabilities;	G4.5	The SELLER does not have to produce, nor may the BUYER object to or make a requisition in relation to, any prior or superior title even if it is referred to in the DOCUMENTS.	G10.3	Income and outgoings are to be apportioned at the ACTUAL COMPLETION DATE unless:
	(g) any interest which overrides, under the Land Registration Act 2002;	G4.6	The SELLER (and, if relevant, the BUYER) must produce to each other such confirmation of, or evidence of, their identity and that of their mortgages and attorneys (if any) as is necessary for the other to be able to comply with applicable Money Laundering Regulations and Land Registry Rules.		(a) the BUYER is liable to pay interest; and
G1.5	Where anything subject to which the LOT is sold would expose the SELLER to liability the BUYER is to comply with it and indemnify the SELLER against that liability.				(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;
G1.6	The SELLER must notify the BUYER of any notices, orders, demands, proposals and requirements of any competent authority of which it learns after the CONTRACT DATE but the BUYER must comply with them and keep the SELLER indemnified.	G5	TRANSFER		in which event income and outgoings are to be apportioned on the date from which interest becomes payable by the BUYER.
G1.7	The LOT does not include any tenant's or trade fixtures or fittings. The SPECIAL CONDITIONS state whether any chattels are included in the LOT, but if they are:	G5.1	Unless a form of TRANSFER is prescribed by the SPECIAL CONDITIONS	G10.4	Apportionments are to be calculated on the basis that:
	(a) the BUYER takes them as they are at COMPLETION and the SELLER is not liable if they are not fit for use, and		(a) the BUYER must supply a draft TRANSFER to the SELLER at least ten BUSINESS DAYS before the AGREED COMPLETION DATE and the engrossment (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		(a) the SELLER receives income and is liable for outgoings for the whole of the day on which apportionment is to be made;
	(b) the SELLER is to leave them at the LOT.		(b) the SELLER must approve or revise the draft TRANSFER within five BUSINESS DAYS of receiving it from the BUYER.		(b) annual income and expenditure accrues at an equal daily rate assuming 365 days in a year (or 366 in a leap year), and income and expenditure relating to some other period accrues at an equal daily rate during the period to which it relates; and
G1.8	The BUYER buys with full knowledge of (a) the DOCUMENTS, whether or not the BUYER has read them; and	G5.2	If the SELLER has any liability (other than to the BUYER) 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.		(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.
	(b) the physical condition of the LOT and what could reasonably be discovered on inspection of it, whether or not the BUYER has inspected it.	G5.3	The SELLER cannot be required to TRANSFER the LOT to anyone other than the BUYER, or by more than one TRANSFER.	G10.5	If a payment due from the BUYER to the SELLER on or after COMPLETION is not paid by the due date, the BUYER is to pay interest to the SELLER at the INTEREST RATE on that payment from the due date up to and including the date of payment.
G1.9	The BUYER admits that it is not relying on the information contained in the PARTICULARS or on any representations made by or on behalf of the SELLER but the BUYER may rely on the SELLER'S conveyancer's written replies to written enquiries to the extent stated in those replies.	G5.4	Where the SPECIAL CONDITIONS state that the SELLER is to grant a new lease to the BUYER		
			(a) the CONDITIONS are to be read so that the TRANSFER refers to the new lease, the SELLER to the proposed landlord and the BUYER to the proposed tenant;	G11	ARREARS
G2	Deposit		(b) the form of new lease is that described by the SPECIAL CONDITIONS; and	Part 1 – Current rent	
G2.1	The amount of the deposit is the greater of:		(c) the SELLER is to produce, at least five BUSINESS DAYS before the AGREED COMPLETION DATE, the engrossed counterpart lease, which the BUYER is to sign and deliver to the SELLER on COMPLETION.	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 on the most recent rent payment date or within four months preceding COMPLETION.
	(a) any minimum deposit stated in the AUCTION CONDUCT CONDITIONS (or the total PRICE, if this is less than that minimum); and	G6	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.
	(b) 10% of the PRICE (exclusive of any VAT on the PRICE).	G6.1	COMPLETION is 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 on a BUSINESS DAY and between the hours of 0930 and 1700.	G11.3	Parts 2 and 3 of this CONDITION G11 do not apply to ARREARS of current rent.
G2.2	If a cheque for all or part of the deposit is not 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.	G6.2	The amount payable on COMPLETION is the balance of the PRICE adjusted to take account of apportionments plus (if applicable) VAT and interest, but no other amounts unless specified in the SPECIAL CONDITIONS.	Part 2 – BUYER to pay for ARREARS	
G2.3	Interest earned on the deposit belongs to the SELLER unless the SALE CONDITIONS provide otherwise.	G6.3	Payment is to be made in pounds sterling and only by (a) direct TRANSFER from the BUYER'S conveyancer to the SELLER'S conveyancer; and	G11.4	Part 2 of this CONDITION G11 applies where the SPECIAL CONDITIONS give details of ARREARS.
G3	Between CONTRACT and COMPLETION		(b) the release of any deposit held by a stakeholder or in such other manner as the SELLER'S conveyancer may agree.	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.
G3.1	From the CONTRACT DATE the SELLER has no obligation to insure the LOT and the BUYER bears all risks of loss or damage unless	G6.4	Unless the SELLER and the BUYER otherwise agree, COMPLETION cannot take place until both have complied with the obligations under the CONTRACT that they are obliged to comply with prior to COMPLETION, and the amount payable on COMPLETION is unconditionally received in the SELLER'S conveyancer's client account or as otherwise required by the terms of the CONTRACT.	G11.6	If those ARREARS are not OLD ARREARS the SELLER is to assign to the BUYER all rights that the SELLER has to recover those ARREARS.
	(a) the LOT is sold subject to a TENANCY that requires the SELLER to insure the LOT or	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.	Part 3 – BUYER not to pay for ARREARS	
	(b) the SPECIAL CONDITIONS require the SELLER to insure the LOT.	G6.6	Where applicable the CONTRACT remains in force following COMPLETION.	G11.7	Part 3 of this CONDITION G11 applies where the SPECIAL CONDITIONS
G3.2	If the SELLER is required to insure the LOT then the SELLER (a) must produce to the BUYER on request all relevant insurance details;				(a) so state; or
	(b) must use reasonable endeavours to maintain that or equivalent insurance and pay the premiums when due;	G7	Notice to complete	G11.8	While any ARREARS due to the SELLER remain unpaid the BUYER must:
	(c) gives no warranty as to the adequacy of the insurance;	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 time of the essence.		(a) try to collect them in the ordinary course of management but need not take legal proceedings or forfeit the TENANCY;
	(d) must at the request of the BUYER use reasonable endeavours to have the BUYER'S interest noted on the policy if it does not cover a contracting purchaser;	G7.2	The person giving the notice must be READY TO COMPLETE.		(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);
	(e) must, unless otherwise agreed, cancel the insurance at COMPLETION, apply for a refund of premium and (subject to the rights of any tenant or other third party) pay that refund to the BUYER; and	G7.3	If the BUYER fails to comply with a notice to complete the SELLER may, without affecting any other remedy the SELLER has:		(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;
	(f) (subject to the rights of any tenant or other third party) hold on trust for the BUYER any insurance payments that the SELLER receives in respect of loss or damage arising after the CONTRACT DATE, or assign to the BUYER the benefit of any claim;		(a) terminate the CONTRACT;		(d) if reasonably required, allow the SELLER'S conveyancer to have on loan the counterpart of any TENANCY against an undertaking to hold it to the BUYER'S order;
	and the BUYER must on COMPLETION reimburse to the SELLER the cost of that insurance as from the CONTRACT DATE (to the extent not already paid by the BUYER or a tenant or other third party).		(b) claim the deposit and any interest on it if held by a stakeholder;		(e) not without the consent of the SELLER release any tenant or surety from liability to pay ARREARS or accept a surrender of or forfeit any TENANCY under which ARREARS are due; and
G3.3	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.		(c) forfeit the deposit and any interest on it;		(f) if the BUYER disposes of the LOT prior to recovery of all ARREARS obtain from the BUYER'S successor in title a covenant in favour of the SELLER in similar form to part 3 of this CONDITION G11.
G3.4	Section 47 of the Law of Property Act 1925 does not apply to the CONTRACT.		(d) resell the LOT; and		
G3.5	Unless the BUYER is already lawfully in occupation of the LOT the BUYER has no right to enter into occupation prior to COMPLETION.		(e) claim damages from the BUYER.		
G4	Title and identity	G7.4	If the SELLER fails to comply with a notice to complete the BUYER may, without affecting any other remedy the BUYER has:	G11.9	Where the SELLER has the right to recover ARREARS it must not without the BUYER'S written consent bring insolvency proceedings against a tenant or seek the removal of goods from the LOT.
G4.1	Unless CONDITION G4.2 applies, the BUYER accepts the title of the SELLER to the LOT as at the CONTRACT DATE and may raise no requisition or objection to any of the DOCUMENTS that is made available before the AUCTION or any other matter, except one that occurs after the CONTRACT DATE.		(a) terminate the CONTRACT; and	G12	Management
			(b) recover the deposit and any interest on it from the SELLER or, if applicable, a stakeholder.	G12.1	This CONDITION G12 applies where the LOT is sold subject to TENANCIES.
G4.2	The following provisions apply only to any of the following DOCUMENTS that is not made available before the AUCTION:	G8	If the CONTRACT is brought to an end	G12.2	The SELLER is to manage the LOT in accordance with its standard management policies pending COMPLETION.
	(a) 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.		If the CONTRACT is lawfully brought to an end:	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:
	(b) If the LOT is not registered land the SELLER is to give to the BUYER within five BUSINESS DAYS of the CONTRACT DATE an abstract or epitome of title starting from the root of title mentioned in the SPECIAL CONDITIONS (or, if none is mentioned, a good root of title more than fifteen years old) and must produce to the BUYER the original or an examined copy of every relevant DOCUMENT.		(a) the BUYER must return all papers to the SELLER and appoints the SELLER its agent to cancel any registration of the CONTRACT; and		(a) 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 not otherwise have, in which case the SELLER may act reasonably in such a way as to avoid that liability;
	(c) If title is in the course of registration, title is to consist of:		(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.		(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 the objection the SELLER may act as the SELLER intends; and
	(i) certified copies of the application for registration of title	G9	Landlord's licence		(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.
		G9.1	Where the LOT is or includes leasehold land and licence to assign or sublet is required this CONDITION G9 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 ("licence notice").		
		G9.4	The SELLER must		

G13 Rent deposits

- G13.1 Where any TENANCY is an assured shorthold TENANCY, the SELLER and the BUYER are to comply with their respective statutory duties in relation to the protection of tenants' deposits, and to demonstrate in writing to the other (before COMPLETION, so far as practicable) that they have complied.
- G13.2 The remainder of 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 deed" means the deed or other DOCUMENT under which the rent deposit is held.
- G13.3 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, comply at the cost of the BUYER with the BUYER's lawful instructions.
- G13.4 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:
- observe and perform the SELLER's covenants and conditions in the rent deposit deed and indemnify the SELLER in respect of any breach;
 - give notice of assignment to the tenant; and
 - 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 so state:
- 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
 - this CONDITION G15 applies.
- G15.2 The SELLER confirms that the SELLER:
- is registered for VAT, either in the SELLER'S name or as a member of the same VAT group; and
 - 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
- it is registered for VAT, either in the BUYER'S name or as a member of a VAT group;
 - 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;
 - article 5(2B) of the Value Added Tax (Special Provisions) Order 1995 does not apply to it; and
 - 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
- of the BUYER'S VAT registration;
 - that the BUYER has made a VAT OPTION; and
 - 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
- 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
 - 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:
- the SELLER'S conveyancer is to notify the BUYER'S conveyancer of that finding and provide a VAT invoice in respect of the sale of the LOT;
 - the BUYER must within five BUSINESS DAYS of receipt of the VAT invoice pay to the SELLER the VAT due; and
 - if VAT is payable because the BUYER has not complied with this 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:
- to make an election on COMPLETION under Section 198 of the Capital Allowances Act 2001 to give effect to this CONDITION G16; and
 - 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 agreements 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 1 of the Landlord and Tenant Act 1987.
- G18.2 The SELLER warrants that the SELLER 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
- in its condition at COMPLETION;
 - for such title as the SELLER may have; and
 - 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:
- 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
 - 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" the following paragraphs apply:
- 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.
 - the BUYER confirms that it will comply with its obligations under TUPE and any SPECIAL CONDITIONS in respect of the TRANSFERRING Employees.
 - 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.
 - 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:
- service charge expenditure attributable to each TENANCY;
 - payments on account of service charge received from each tenant;
 - any amounts due from a tenant that have not been received;
 - 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 payments that the tenant has made on account exceed attributable service charge expenditure, the SELLER must pay to the BUYER an amount equal to that excess when it provides the service charge account; or
 - that attributable service charge expenditure exceeds payments made on account, the BUYER must use all reasonable endeavours to recover the shortfall from the tenant as soon as practicable and promptly pay the amount so recovered to the SELLER;
- 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:
- the SELLER must pay it (including any interest earned on it) to the BUYER on COMPLETION; and
 - 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 due on or before the ACTUAL COMPLETION DATE has not been agreed or determined.
- G23.2 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:
- give to the BUYER full details of all rent review negotiations and proceedings, including copies of all correspondence and other papers; and
 - 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 renewals

- G24.1 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.
- G24.2 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:
- with the co-operation of the SELLER take immediate steps to substitute itself as a party to any proceedings;
 - 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
 - if any increased rent is recovered from the tenant (whether as interim rent or under the renewed TENANCY) account to the SELLER for the part of that increase that relates to the SELLER'S period of ownership of the LOT within five BUSINESS DAYS of receipt of 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:
- on COMPLETION assign it to the BUYER and give notice of assignment to the person who gave the warranty; and
 - 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:
- hold the warranty on trust for the BUYER; and
 - 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 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:
- procure that it becomes registered at the Land Registry as proprietor of the LOT;
 - procure that all rights granted and reserved by the lease under which the LOT is held are properly noted against the affected titles; and
 - 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:
- apply for registration of the TRANSFER;
 - provide the SELLER with an official copy and title plan for the BUYER'S new title; and
 - join in any representations the SELLER may properly make to the 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:
- delivered by hand; or
 - made electronically and personally acknowledged (automatic acknowledgement does not count); or
 - 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.
- G28.3 A communication is to be treated as received:
- 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 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

Applicable for all lots where the Common Auction Conditions apply.

G30.1 The Deposit

- General Conditions A5.5a shall be deemed to be deleted and replaced by the following:
- A5.5a. The Deposit:
- must be paid to the AUCTIONEERS by bankers draft drawn on a UK clearing bank or building society (or by such other means of payment as they may accept)
 - is to be held as stakeholder save to the extent of the auctioneers' fees and expenses which part of the deposit shall be held as agents for the seller
 - Where a deposit is paid to us as stakeholder we are at liberty to transfer all or part of it prior to completion to the Seller's solicitors (net of any fees and commission that will be due to us from the Seller) for them to hold as stakeholder in our place.

G30.2 Buyer's Administration Charge

Should your bid be successful you will be liable to pay a Buyer's Administration Charge of 1.2% of the purchase price subject to a minimum fee of £1,800 including VAT (unless stated otherwise within the property description in the catalogue) upon exchange of contracts to the Auctioneer.

G30.3 Extra Auction Conduct Conditions

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.

G30.4 Searches

On completion the Buyer shall pay to the Seller, in addition to the purchase price, the cost incurred by the Seller in obtaining the Searches included in the Auction Pack.

Special conditions of sale

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

Words that are neither in square brackets nor in italics constitute the **special conditions** applicable to the relevant LOT.

References to the **general conditions** are for convenience only and are not intended to be comprehensive.

Lot number

Name and address of the seller

[Name and address]

Undisclosed. To be identified in the **sale memorandum**.

Name, address and reference of the seller's conveyancer

[Name, address and reference]

Brief description of the lot (see **condition G1.1**)

[Postal address]

Rights to be granted (see **condition G1.1**)

None.

[Details]

Rights to be reserved (see **condition G1.1**)

None.

[Details]

Exclusions (see **condition G1.1**)

None.

[Details]

Tenancies (see **condition G1.2**)

There are no **tenancies**.

*[The **tenancies** are listed in the **tenancy schedule**.]*

What the sale is subject to (see **condition G1**)

The matters set out in the **general conditions**

[and]

[list existing covenants and encumbrances and any new ones to be created on sale]

Deposit (see [condition G2](#))

10% of the **price** to be paid to the **auctioneer** and held by the **auctioneer** (or, if the **auctioneer** chooses, the **seller's** conveyancer) as stakeholder.

[[10%] of the **price** [plus **VAT**] to be held by [.....] as [stakeholder][agent for the **seller**]]

Insurance (see [condition G3](#))

For the period from and including the **contract date** up to **completion** the **seller** is to insure the **lot**.
[The **seller** has no obligation to insure the **lot** after the **contract date**.]

Title (see [condition G4](#))

Freehold. [Leasehold *brief description of terms of lease*]

Registered or unregistered?

Registered
[at *name of land registry* with *quality of title*
title number number]

[Unregistered commencing with *describe root of title*]

Title guarantee (see [condition G4.3](#))

Full title guarantee, subject to [condition G4.3](#).
[Limited title guarantee]

[No title guarantee, for such right and title as the **seller** may have]
[As set out in the [transfer](#)]

Transfer (see [condition G5](#))

There is no prescribed form of [transfer](#).
[A copy of the prescribed form of [transfer](#) has been made available prior to the AUCTION.]

[The [transfer](#) is to contain the following provisions:]

Agreed completion date (see [condition G6.1](#))

Twenty **business** days after the **contract date**.
[Date]

Interest rate (see [condition G10](#))

4% over Barclays Bank Base rate from time to time.

[[.....] % over [.....] base rate from time to time]

Arrears (see [condition G11](#))

Parts 1 and 3 of [condition G11](#) apply.

[Parts 1 and 2 of [condition G11](#) apply and details of arrears are set out in the arrears schedule.]

VAT (see **conditions** G14 and 15)

VAT is not payable as the transaction is exempt.

[**VAT** is payable on **completion**.]

[The sale is intended to be a transfer of a going concern to which **condition** G15 applies.]

Capital allowances (see **condition** G16)

No capital allowances are available.

[Capital allowances are available in respect of the following items, to which the value attributed is]

Maintenance agreements (see **condition** G17)

There are no maintenance agreements.

[Details of maintenance agreements are:

Details]

TUPE (see **condition** G20)

There are no employees to which **TUPE** applies.

[Details of the contracts of employment for those employees to whom **TUPE** applies are:

Details]

Environmental (see **condition** G21)

Condition G21 does not apply.

[**Condition** G21 applies. The following reports have been supplied by the **seller**:

Details]

Warranties (see **condition** G25)

There are no available warranties.

[The following warranties are to be assigned to or held in trust for the **buyer**:

Details]

Amendments to the general conditions

None.

[The following conditions replace the **general conditions** of the same number:

Details]

Extra special conditions

None.

[*Details*]

Special conditions of sale **Tenancy schedule**

The lot is sold subject to and with the benefit of the **tenancies** listed below:

Property	Date	Original landlord and tenant	Current tenant	Term	Current rent

Special conditions of sale **Arrears schedule**

These are the **arrears** referred to in **condition** G11:

Property	Current tenant	Current rent	Date rent last paid

Special conditions of sale **Sale memorandum**

Date

Name and address of seller

.....
.....

Name and address of buyer

.....
.....

The lot

The price (excluding any VAT)

Deposit paid

The **seller** agrees to sell and the **buyer** agrees to buy the **lot** for the **price**.

This agreement is subject to the **sale conditions** so far as they apply to the **lot**.

We acknowledge receipt of the deposit

Signed by the **buyer**

Signed by us as agent for the **seller**

The **buyer's** conveyancer is

Name

Address

.....
.....

Contact

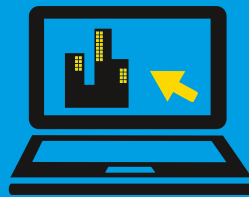
The **seller's** conveyancer is

Name

Address

Contact

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Registered Office Cumbria House, 16-20 Hockliffe Street, Leighton Buzzard, Bedfordshire, LU7 1GN.

SuttonKersh

2 Cotton Street
Liverpool
L3 7DY

suttonkersh.co.uk

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