



**Common Auction Conditions**

(3rd Edition August 2009 – reproduced with the consent of the RICS)

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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.



## 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 changed 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 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); and
- where the following words 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 auctioneers or an oral announcement at the auction.

**Agreed completion date** Subject to condition G9.3: (a) the date specified in the special conditions; or (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 auctioneers.

**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 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 conveyancer's client account.

**Condition** One of the auction conduct conditions or sale conditions.

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

**Contract date** The date of 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 to exchange made by telephone, fax or electronic mail the date of exchange is the date on which both parts 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 indebtedness (not including a rentcharge).

**General conditions** That part of the special 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.

**Particulars** The section of the catalogue that contains descriptions of each lot (as varied by any addendum).

**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.

**Ready to complete** Ready, willing and able to complete: if completion would enable the seller to discharge all financial charges secured on the lot that have to be discharged by completion, then those outstanding financial charges do not prevent the seller from being ready to complete.

**Sale conditions** The general conditions as varied by any special conditions or addendum.

**Sale memorandum** The form so headed (whether or not set out in the catalogue) in which the terms of the contract for the sale of the lot are recorded.

**Seller** The person selling the lot. If two or more are jointly the seller their obligations can be enforced against them jointly or against each of them separately.

**Special conditions** Those of the sale conditions so headed that relate to the lot.

**Tenancies** Tenancies, leases, licences to occupy and agreements for lease and any documents varying or supplemental to them.

**Tenancy schedule** The tenancy 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.

**VAT option** An option to tax.

**We (and us and our)** The auctioneers.

**You (and your)** Someone who has a copy of the catalogue or who attends or bids at the auction, whether or not a buyer.

## AUCTION CONDUCT CONDITIONS

### A1 Introduction

A1.1 Words in bold blue 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 dispensed 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:

- (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) 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. 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.

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. But guide prices may change. The last published guide price will normally be at or above 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 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.

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 we provide 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 we accept as such (normally on the fall of the hammer). This condition A5 applies to you if you make the successful bid for a lot.

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 we reasonably need 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; the seller may then have a claim against you for breach of contract; or
- (b) sign the sale memorandum on your behalf.

A5.5 The deposit:

- (a) is to be held as stakeholder where VAT would be chargeable on the deposit were it to be held as agent for the seller, but otherwise is to be held as stated in the sale conditions; and
- (b) must be paid in pounds sterling by cheque or by bankers' draft made payable to us on an approved financial institution. The extra auction conduct conditions may state if we accept any other form of payment.

A5.6 We may retain the sale memorandum signed by or on behalf of the seller until the deposit has been received in cleared funds.

A5.7 If the buyer does not comply with its obligations under the contract then:

- (a) you are personally liable to buy the lot even if you are acting as an agent; and
- (b) you must indemnify the seller in respect of any loss the seller incurs as a result of the buyer's default.

A5.8 Where the buyer is a company you warrant that the buyer is properly constituted and able to buy the lot.

## GENERAL CONDITIONS OF SALE

Words that are in bold 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, but 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 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) notices, orders, demands, proposals and requirements of any competent authority;
- (d) charges, notices, orders, restrictions, agreements and other matters relating to town and country planning, highways or public health;
- (e) rights, easements, quasi-easements, and wayleaves;
- (f) outgoings and other liabilities;
- (g) any interest which overrides, within the meaning of the Land Registration Act 2002;
- (h) matters that ought to be disclosed by the searches and enquiries a prudent buyer would make, whether or not the buyer has made them; and
- (i) anything the seller does not and could not reasonably know about.

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.

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.

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 full 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, whether or not the buyer has inspected it.

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) is to be held as stakeholder unless the auction conduct conditions provide that it is to be held as agent for the seller.

G2.3 Where the auctioneers hold the deposit as stakeholder they are authorised to release it (and interest on it if applicable) to the seller on completion or, if completion 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 is not cleared on first

	presentation the <b>seller</b> may treat the <b>contract</b> as at an end and bring a claim against the <b>buyer</b> for breach of <b>contract</b> .				
G2.5	Interest earned on the deposit belongs to the <b>seller</b> unless the <b>sale conditions</b> provide otherwise.	G6.2	The amount payable on <b>completion</b> is the balance of the price adjusted to take account of apportionments plus (if applicable) VAT and interest.	G11.2	If on <b>completion</b> there are any arrears of current rent the <b>buyer</b> must pay them, whether or not details of those arrears are given in the <b>special conditions</b> .
<b>G3. Between contract and completion</b>		G6.3	Payment is to be made in pounds sterling and only by:	G11.3	Parts 2 and 3 of this <b>condition</b> G11 do not apply to arrears of current rent.
G3.1	Unless the <b>special conditions</b> state otherwise, the <b>seller</b> is to insure the <b>lot</b> from and including the <b>contract date</b> to <b>completion</b> and:	G6.4	• (a) direct transfer to the <b>Seller's</b> conveyancer's client account; and	<b>Part 2 Buyer to pay for arrears</b>	
	• (b) pay the premiums when due;		• (c) the release of any deposit held by a stakeholder;	G11.4	Part 2 of this <b>condition</b> G11 applies where the <b>special conditions</b> give details of arrears.
	• (c) if the <b>buyer</b> so requests, and pays any additional premium, use reasonable endeavours to increase the sum insured or make other changes to the policy;	G6.5	Unless the <b>seller</b> and the <b>buyer</b> otherwise agree, <b>completion</b> cannot take place until both have complied with their obligations under the <b>contract</b> and the balance of the <b>price</b> is unconditionally received in the <b>Seller's</b> conveyancer's client account.	G11.5	The <b>buyer</b> is on <b>completion</b> to pay, in addition to any other money then due, an amount equal to all arrears of which details are set out in the <b>special conditions</b> .
	• (d) at the request of the <b>buyer</b> use reasonable endeavours to have the <b>buyer's</b> interest noted on the policy if it does not cover a contracting purchaser;	G6.6	If <b>completion</b> takes place after 1400 hours for a reason other than the <b>Seller's</b> default it is to be treated, for the purposes of apportionment and calculating interest, as if it had taken place on the next <b>business day</b> .	G11.6	If those arrears are not <b>old arrears</b> the <b>seller</b> is to assign to the <b>buyer</b> all rights that the <b>seller</b> has to recover those arrears.
	• (e) unless otherwise agreed, cancel the insurance at <b>completion</b> , apply for a refund of premium and (subject to the rights of any tenant or other third party) pay that refund to the <b>buyer</b> ; and	G6.7	Where applicable the <b>contract</b> remains in force following <b>completion</b> .	<b>Part 3 Buyer not to pay for arrears</b>	
	• (f) (subject to the rights of any tenant or other third party) hold on trust for the <b>buyer</b> any insurance payments that the <b>seller</b> receives in respect of loss or damage arising after the <b>contract date</b> or assign to the <b>buyer</b> the benefit of any claim; and the <b>buyer</b> must on <b>completion</b> reimburse to the <b>seller</b> the cost of that insurance (to the extent not already paid by the <b>buyer</b> or a tenant or other third party) for the period from and including the <b>contract date</b> to <b>completion</b> .	G6.8	<b>Notice to complete</b>	G11.7	Part 3 of this <b>condition</b> G11 applies where the <b>special conditions</b> :
G3.2	No damage to or destruction of the <b>lot</b> nor any deterioration in its <b>condition</b> , however caused, entitles the <b>buyer</b> to any reduction in price, or to delay <b>completion</b> , or to refuse to complete.	G7.1	The <b>seller</b> or the <b>buyer</b> may on or after the <b>agreed completion date</b> but before <b>completion</b> give the other notice to complete within ten <b>business days</b> (excluding the date on which the notice is given) making time of the essence.		• (a) so state; or
G3.3	Section 47 of the Law of Property Act 1925 does not apply.	G7.2	The person giving the notice must be <b>ready to complete</b> .		• (b) give no details of any arrears.
G3.4	Unless the <b>buyer</b> is already lawfully in occupation of the <b>lot</b> the <b>buyer</b> has no right to enter into occupation prior to <b>completion</b> .	G7.3	If the <b>buyer</b> fails to comply with a notice to complete the <b>seller</b> may, without affecting any other remedy the <b>seller</b> has:	G11.8	While any arrears due to the <b>seller</b> remain unpaid the <b>buyer</b> must: (a) try to collect them in the ordinary course of management but need not take legal proceedings or forfeit the <b>tenancy</b> ; (b) pay them to the <b>seller</b> within five <b>business days</b> of receipt in cleared funds (plus interest at the <b>interest rate</b> calculated on a daily basis for each subsequent day's delay in payment); (c) on request, at the cost of the <b>seller</b> , assign to the <b>seller</b> or as the <b>seller</b> may direct the right to demand and sue for <b>old arrears</b> , such assignment to be in such form as the <b>Seller's</b> conveyancer may reasonably require; (d) if reasonably required, allow the <b>Seller's</b> conveyancer to have on loan the counterpart of any <b>tenancy</b> against an undertaking to hold it to the <b>buyer's</b> order; (e) not without the consent of the <b>seller</b> release any tenant or surety from liability to pay arrears or accept a surrender of or forfeit any <b>tenancy</b> under which arrears are due; and (f) if the <b>buyer</b> disposes of the <b>lot</b> prior to recovery of all arrears obtain from the <b>buyer's</b> successor in title a covenant in favour of the <b>seller</b> in similar form to part 3 of this <b>condition</b> G11.
<b>G4. Title and identity</b>		G7.4	If the <b>seller</b> fails to comply with a notice to complete the <b>buyer</b> may, without affecting any other remedy the <b>buyer</b> has:	G11.9	Where the <b>seller</b> has the right to recover arrears it must not without the <b>buyer's</b> written consent bring insolvency proceedings against a tenant or seek the removal of goods from the <b>lot</b> .
G4.1	Unless <b>condition</b> G4.2 applies, the <b>buyer</b> accepts the title of the <b>seller</b> to the <b>lot</b> as at the <b>contract date</b> and may raise no requisition or objection except in relation to any matter that occurs after the <b>contract date</b> .	<b>G8. If the contract is brought to an end</b>	• (a) terminate the <b>contract</b> ;	<b>G12. Management</b>	
G4.2	If any of the <b>documents</b> is not made available before the <b>auction</b> the following provisions apply:		• (b) claim the deposit and any interest on it if held by a stakeholder;	G12.1	This <b>condition</b> G12 applies where the <b>lot</b> is sold subject to <b>tenancies</b> .
	• (a) The <b>buyer</b> may raise no requisition on or objection to any of the <b>documents</b> that is made available before the <b>auction</b> .		• (c) forfeit the deposit and any interest on it;	G12.2	The <b>seller</b> is to manage the <b>lot</b> in accordance with its standard management policies pending <b>completion</b> .
	• (b) If the <b>lot</b> is registered land the <b>seller</b> is to give to the <b>buyer</b> within five <b>business days</b> of the <b>contract date</b> an official copy of the entries on the register and title plan and, where noted on the register, of all <b>documents</b> subject to which the <b>lot</b> is being sold.		• (d) resell the <b>lot</b> ; and	G12.3	The <b>seller</b> must consult the <b>buyer</b> on all management issues that would affect the <b>buyer</b> after <b>completion</b> (such as, but not limited to, an application for licence; a rent review; a variation, surrender, agreement to surrender or proposed forfeiture of a <b>tenancy</b> ; or a new <b>tenancy</b> or agreement to grant a new <b>tenancy</b> ) and:
	• (c) If the <b>lot</b> is not registered land the <b>seller</b> is to give to the <b>buyer</b> within five <b>business days</b> an abstract or epitome of title starting from the root of title mentioned in the <b>special conditions</b> (or, if none is mentioned, a good root of title more than fifteen years old) and must produce to the <b>buyer</b> the original or an examined copy of every relevant document.	<b>G9. Landlord's licence</b>	• (e) claim damages from the <b>buyer</b> .		• (a) the <b>seller</b> must comply with the <b>buyer's</b> reasonable requirements unless to do so would (but for the indemnity in paragraph (c)) expose the <b>seller</b> to a liability that the <b>seller</b> would not otherwise have, in which case the <b>seller</b> may act reasonably in such a way as to avoid that liability;
	• (d) If title is in the course of registration, title is to consist of certified copies of:	G9.1			• (b) if the <b>seller</b> gives the <b>buyer</b> notice of the <b>Seller's</b> intended act and the <b>buyer</b> does not object within five <b>business days</b> giving reasons for the objection the <b>seller</b> may act as the <b>seller</b> intends; and
	• (i) the application for registration of title made to the land registry;	G9.2	If the <b>contract</b> is lawfully brought to an end:		• (c) the <b>buyer</b> is to indemnify the <b>seller</b> against all loss or liability the <b>seller</b> incurs through acting as the <b>buyer</b> requires, or by reason of delay caused by the <b>buyer</b> .
	• (ii) the <b>documents</b> accompanying that application;	G9.3	• (a) the <b>buyer</b> must return all papers to the <b>seller</b> and appoints the <b>seller</b> its agent to cancel any registration of the <b>contract</b> ; and	<b>G13. Rent deposits</b>	
	• (iii) evidence that all applicable stamp duty land tax relating to that application has been paid; and	G9.4	• (b) the <b>seller</b> must return the deposit and any interest on it to the <b>buyer</b> (and the <b>buyer</b> may claim it from the stakeholder, if applicable) unless the <b>seller</b> is entitled to forfeit the deposit under <b>condition</b> G7.3.	G13.1	This <b>condition</b> G13 applies where the <b>seller</b> is holding or otherwise entitled to money by way of rent deposit in respect of a <b>tenancy</b> . In this <b>condition</b> G13 "rent deposit deed" means the deed or other document under which the rent deposit is held.
	• (iv) a letter under which the <b>seller</b> 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 <b>documents</b> to the <b>buyer</b> .	G9.5	<b>G9. Landlord's licence</b>	G13.2	If the rent deposit is not assignable the <b>seller</b> must on <b>completion</b> hold the rent deposit on trust for the <b>buyer</b> and, subject to the terms of the rent deposit deed, comply at the cost of the <b>buyer</b> with the <b>buyer's</b> lawful instructions.
	• (e) The <b>buyer</b> has no right to object to or make requisitions on any title information more than seven <b>business days</b> after that information has been given to the <b>buyer</b> .	G9.6	G9.1 Where the <b>lot</b> is or includes leasehold land and licence to assign is required this <b>condition</b> G9 applies.	G13.3	Otherwise the <b>seller</b> must on <b>completion</b> pay and assign its interest in the rent deposit to the <b>buyer</b> under an assignment in which the <b>buyer</b> covenants with the <b>seller</b> to:
G4.3	Unless otherwise stated in the <b>special conditions</b> the <b>seller</b> sells with full title guarantee except that (and the <b>transfer</b> shall so provide):	G9.7	G9.2 The <b>contract</b> is conditional on that licence being obtained, by way of formal licence if that is what the landlord lawfully requires.		• (a) observe and perform the <b>Seller's</b> covenants and <b>conditions</b> in the rent deposit deed and indemnify the <b>seller</b> in respect of any breach;
	• (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 <b>buyer</b> ; and	G9.8	G9.3 The <b>agreed completion date</b> is not to be earlier than the date five <b>business days</b> after the <b>seller</b> has given notice to the <b>buyer</b> that licence has been obtained.		• (b) give notice of assignment to the tenant; and
	• (b) the covenant set out in section 4 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 <b>lot</b> where the <b>lot</b> is leasehold property.	G9.9	G9.4 The <b>seller</b> must:		• (c) give such direct covenant to the tenant as may be required by the rent deposit deed.
G4.4	The <b>transfer</b> is to have effect as if expressly subject to all matters subject to which the <b>lot</b> is sold under the <b>contract</b> .	G9.10	G9.5 The <b>buyer</b> must:	<b>G14. VAT</b>	
G4.5	The <b>seller</b> does not have to produce, nor may the <b>buyer</b> object to or make a requisition in relation to, any prior or superior title even if it is referred to in the <b>documents</b> .	G9.11	G9.6 If within three months of the <b>contract date</b> (or such longer period as the <b>seller</b> and <b>buyer</b> agree) the licence has not been obtained the <b>seller</b> or the <b>buyer</b> may (if not then in breach of any obligation under this <b>condition</b> G9) by notice to the other terminate the <b>contract</b> at any time before licence is obtained. That termination is without prejudice to the claims of either <b>seller</b> or <b>buyer</b> for breach of this <b>condition</b> G9.	G14.1	Where a <b>sale condition</b> 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.
G4.6	The <b>seller</b> (and, if relevant, the <b>buyer</b> ) must produce to each other such confirmation of, or evidence of, their identity and that of their mortgagees and attorneys (if any) as is necessary for the other to be able to comply with applicable Land Registry Rules when making application for registration of the transaction to which the <b>conditions</b> apply.	G9.12	G9.7 <b>G10. Interest and apportionments</b>	G14.2	Where the <b>special conditions</b> state that no VAT option has been made the <b>seller</b> confirms that none has been made by it or by any company in the same VAT group nor will be prior to <b>completion</b> .
<b>G5. Transfer</b>		G9.13	G10.1 If the <b>actual completion date</b> is after the <b>agreed completion date</b> for any reason other than the <b>Seller's</b> default the <b>buyer</b> must pay interest at the <b>interest rate</b> on the <b>price</b> (less any deposit paid) from the <b>agreed completion date</b> up to and including the <b>actual completion date</b> .	<b>G15. Transfer as a going concern</b>	
G5.1	Unless a form of <b>transfer</b> is prescribed by the <b>special conditions</b> :	G9.14	G10.2 Subject to <b>condition</b> G11 the <b>seller</b> is not obliged to apportion or account for any sum at <b>completion</b> unless the <b>seller</b> has received that sum in cleared funds. The <b>seller</b> must pay to the <b>buyer</b> after <b>completion</b> any sum to which the <b>buyer</b> is entitled that the <b>seller</b> subsequently receives in cleared funds.	G15.1	Where the <b>special conditions</b> so state:
	• (a) the <b>buyer</b> must supply a draft <b>transfer</b> to the <b>seller</b> at least ten <b>business days</b> before the <b>agreed completion date</b> and the engrossment (signed as a deed by the <b>buyer</b> if <b>condition</b> G5.2 applies) five <b>business days</b> before that date or (if later) two <b>business days</b> after the draft has been approved by the <b>seller</b> ; and	G10.5	G10.3 Income and outgoings are to be apportioned at <b>actual completion date</b> unless:		• (a) the <b>seller</b> and the <b>buyer</b> intend, and will take all practicable steps (short of an appeal) to procure, that the sale is treated as a <b>transfer</b> of a going concern; and
	• (b) the <b>seller</b> must approve or revise the draft <b>transfer</b> within five <b>business days</b> of receiving it from the <b>buyer</b> .		• (a) the <b>buyer</b> is liable to pay interest; and	G15.2	The <b>seller</b> confirms that the <b>seller</b> :
G5.2	If the <b>seller</b> remains liable in any respect in relation to the <b>lot</b> (or a <b>tenancy</b> ) following <b>completion</b> the <b>buyer</b> is specifically to covenant in the <b>transfer</b> to indemnify the <b>seller</b> against that liability.		• (b) the <b>seller</b> has given notice to the <b>buyer</b> at any time up to <b>completion</b> requiring apportionment on the date from which interest becomes payable by the <b>buyer</b> ;		• (a) is registered for VAT, either in the <b>Seller's</b> name or as a member of the same VAT group; and
G5.3	The <b>seller</b> cannot be required to <b>transfer</b> the <b>lot</b> to anyone other than the <b>buyer</b> , or by more than one <b>transfer</b> .		• (c) in which event income and outgoings are to be apportioned on the date from which interest becomes payable by the <b>buyer</b> .		• (b) has (unless the sale is a standard-rated supply) made in relation to the <b>lot</b> a <b>VAT option</b> that remains valid and will not be revoked before <b>completion</b> .
<b>G6. Completion</b>			G10.4 Apportionments are to be calculated on the basis that:	G15.3	The <b>buyer</b> confirms that:
G6.1	<b>Completion</b> is to take place at the offices of the <b>Seller's</b> conveyancer; or where the <b>seller</b> may reasonably require, on the <b>agreed completion date</b> . The <b>seller</b> can only be required to		• (a) the <b>seller</b> receives income and is liable for outgoings for the whole of the day on which apportionment is to be made;		• (a) it is registered for VAT, either in the <b>buyer's</b> name or as a member of a VAT group;
	complete on a <b>business day</b> and between the hours of 0930 and 1700.		• (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		• (b) it has made, or will make before <b>completion</b> , a <b>VAT option</b> in
			• (c) where the amount to be apportioned is not known at <b>completion</b> apportionment is to be made by reference to a reasonable estimate and further payment is to be made by <b>seller</b> or <b>buyer</b> as appropriate within five <b>business days</b> of the date when the amount is known.		
			<b>G11. Arrears</b>		
			<b>Part I Current rent</b>		
			G11.1 "Current rent" means, in respect of each of the <b>tenancies</b> subject to which the <b>lot</b> is sold, the instalment of rent and other sums		

- 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 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 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 invoice in respect of 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) 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:
- (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 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:
- (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 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:
- (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** 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 then due), 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 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 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:
- (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 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:
- (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 **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:
- (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 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:
- (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; or
  - (b) made electronically and personally acknowledged (automatic acknowledgement does not count); 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**.
- G28.3 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 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 Contract (Rights of Third Parties) Act 1999.
- EXTRA GENERAL CONDITIONS**
- Applicable for all lots where the Common Auction Conditions apply.
- 1. The Deposit**
- 1.1 General Conditions A5.5a shall be deemed to be deleted and replaced by the following:
- A5.5a. The Deposit:
- a) must be paid to the **auctioneers** by cheque or bankers draft drawn on a UK clearing bank or building society (or by such other means of payment as they may accept)
  - b) 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**
- 2. Buyer's Administration Charge**
- 2.1 Should your bid be successful you will be liable to pay a **Buyer's** Administration Charge of £650 plus VAT upon exchange of **contracts** to the **Auctioneer**.
- 3. Extra Auction Conduct Conditions**
- 3.1 Despite any special condition to the contrary the minimum deposit we accept is £2,000 (or the total price, if less). A special condition may, however, require a higher minimum deposit.