



## Summary

This style is for use in a purchase of a vacant commercial property. No deposit is envisaged in this style. The style is drafted from the standpoint of the Purchaser. In this style the Purchaser's due diligence exercise is underpinned by Seller's warranties and suspensive – in preference to resolute – conditions. The suspensive conditions ensure that in order for the transaction to progress to settlement the Purchaser must be satisfied with, among other things, documentation exhibited, and other information disclosed, to the Purchaser by the Seller or arising from the Purchaser's own investigations. The Purchaser must also be satisfied as to the validity of the title and with the terms of the property enquiry certificate and other reports and audits etc. ordinarily obtained in the context of a purchase of a commercial property. The extensiveness of the Seller's warranties in the style will normally ensure that the Purchaser is well informed on a range of matters affecting the Property – for instance the impact of legislation, the physical condition of the Property, and the adoption status of roads and sewers. But even if many, or indeed the majority, of the warranties are ultimately deleted by the Seller, their presence in the style will serve to place the relevant matters on the agenda for the Purchaser's due diligence exercise. A significant feature of the style is the inclusion of a mechanism for the carrying out of works to be undertaken by the Seller in advance of settlement of the transaction (the assumption being that the cost of the works is reflected in the purchase price). The style assumes that the works are extensive enough to warrant the involvement of a professional team (e.g. as designers of the works), the members of which may be required to grant collateral warranties in favour of the Purchaser. The Seller's Works may also be extensive enough to justify the use of a building contract such as one of the standard forms of building contract published by JCT (Joint Contracts Tribunal). The mechanism relating to the Seller's Works ensures the involvement of the Purchaser in the inspection and approval of the works and the issuing of a practical completion certificate (which is a trigger for settlement of the transaction). To facilitate negotiations various documents, such as assignments of significant interests (e.g. rights arising under construction documentation) and letters of obligation are annexed in the Schedule. In general, the style will need to be modified or adapted in a way that practitioners using the style find to be appropriate to the transaction in hand.

## Contents

1. Definitions
2. Interpretation
3. Entry
4. Payment of Price [and interest]
5. VAT
6. Retention
7. Suspensive Condition
  - 7.1 Purchaser's satisfaction

- 7.1.1 Title, boundaries, Consents etc.
  - 7.1.2 Reports and audits etc.
  - 7.1.3 Funding and board approval
  - 7.1.4 Construction Documentation
- 7.2 Purification and termination of the Missives
- 7.3 Longstop Date
- 8. Seller's Works – general
- 9. Seller's Works – Purchaser's right of inspection
- 10. Seller's Works – matters arising from Purchaser's inspection
- 11. Seller's Works – practical completion
- 12. Seller's Works – rectification period
- 13. Seller's Works – Local Authority certification
- 14. Seller's Works – Collateral Warranties etc.
- 15. Seller's Works – compliance with CDM Regulations
- 16. Seller's Works – minor variations in the Works Specification
- 17. Seller's warranties
  - 17.1 Effect of warranties
  - 17.2 Ancillary Property and Installations
  - 17.3 Minerals
  - 17.4 Water and sewerage
  - 17.5 Electricity and gas etc.
  - 17.6 Roads etc.
  - 17.7 Flooding and subsidence
  - 17.8 Asbestos etc.
  - 17.9 Deleterious Materials etc.
  - 17.10 Condition of the Property
  - 17.11 Rateable value etc.
  - 17.12 Pecuniary burdens

- 17.13 Title conditions and servitudes etc.
- 17.14 Rights of access etc.
- 17.15 Access to Adjoining Property
- 17.16 Common property
- 17.17 Community Interests
- 17.18 Development
- 17.19 Planning agreements
- 17.20 Matrimonial occupancy rights etc.
- 17.21 Antisocial Behaviour etc. (Scotland) Act 2004
- 17.22 Disability discrimination
- 17.23 Environmental Laws
- 17.24 Health and safety
- 17.25 Fire Protection Laws
- 17.26 Consents and permitted use
- 17.27 Statutory Notices etc.
- 17.28 Zoning and listing etc.
- 17.29 Service Contracts
- 17.30 Disputes
- 17.31 Construction Documentation
- 18. Rates apportionments etc.
- 19. Access to the Property etc.
- 20. Minerals
- 21. Construction matters
- 22. [Inventory and] [m][M]aintenance etc. of Ancillary Property etc.
- 23. Service Contracts etc.
- 24. Scheduled Repairs
- 25. Statutory Notices
- 26. Maintenance, risk and insurance

27. Settlement requirements
28. Cost of searches etc.
29. Default of the Seller
30. Notices
31. Entire agreement
32. Governing law
33. Alienation
34. Confidentiality
35. Right of waiver
36. Supersession
37. Agency
38. Form of acceptance
39. Time limit for acceptance

SCHEDULE PART 1 - ANCILLARY PROPERTY

SCHEDULE PART 2 - ASSIGNATION OF CONSTRUCTION DOCUMENTATION

SCHEDULE PART 3 - ASSIGNATION OF SERVICE CONTRACTS

SCHEDULE PART 4 - COLLATERAL WARRANTIES

SCHEDULE PART 5 - CONSTRUCTION DOCUMENTATION

SCHEDULE PART 6 - PROFESSIONAL TEAM

SCHEDULE PART 7 - PURIFICATION NOTICE

SCHEDULE PART 8 - SERVICE CONTRACTS

SCHEDULE PART 9- UNDERTAKING RELATING TO SELLER'S WORKS

SCHEDULE PART 10 - SIGNATORIES' CERTIFICATE

SCHEDULE PART 11 - LETTER OF OBLIGATION