Summary

This style is for use in a purchase of premises which include a business, and the goodwill and stock of the business, together with the moveable contents of the premises. It is assumed that the Purchaser does not intend to re-employ any of the Seller's employees at settlement. The style also makes provision for payment by the purchaser of a deposit on conclusion of missives. More generally, the style is drafted from the standpoint of the Purchaser. The Purchaser's due diligence exercise is underpinned by Seller's warranties and suspensive – in preference to resolutive – 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 matters concerning 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. To facilitate negotiations various documents, such as assignations 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.