

DATED _____ **2015**

ABSOLUTE LIVING DEVELOPMENTS LIMITED (1)

and

***** (2)**

AGREEMENT FOR SALE

**Apartment ** The Whitehouse,
East Lane, Runcorn**



Absolute Living Developments Ltd

THE SELLER: **ABSOLUTE LIVING DEVELOPMENTS LIMITED** (Company Registration number 08766275) whose registered office is at Horton House 6th Floor, Horton House, Exchange Flags, Liverpool L2 3PF

THE BUYER: ***, of **

THE PROPERTY: Leasehold property known as Apartment 397 which forms part of the Building and is shown edged red on Plan 1

THE PLANS: The plans annexed to the Transfer and numbered 1 and 2

THE BUILDING: The Premises known as The Whitehouse, East Lane, Runcorn being the whole of the land comprised in the title number below mentioned and all of which is shown edged red on plan 2

THE PRICE: **

RESERVATION DEPOSIT: **

THE COMPLETION DATE: day of 2015

THE COMPLETION PAYMENT: £** in addition to Reservation Deposit

RENTAL GUARANTEE: as defined in Schedule 5

THE DEFERRED PAYMENT DATE: The date on which the Deferred Payment is to be paid over to the Seller

THE DEFERRED PAYMENT: The Price plus the furniture pack, less the Completion Payment and Rental Guarantee amounting to £23,151.50

TITLE NUMBERS: []

CONTRACT RATE: 4% above base rate of Barclays Bank Plc for the time being

LEASE: The lease in the form set out in Schedule 1

LEGAL CHARGE: The Legal Charge in the form set out in Schedule 3

MANAGEMENT AGREEMENT: The Management Agreement in the form set out in Schedule 4

SELLER'S SOLICITOR: ALD Legal, PO BOX 5472 Manchester M61 0LZ

BUYER'S SOLICITOR: Maxwell Alves Solicitors, 75 Farringdon Road, London EC1M 3JY

AGREEMENT

- 1 The Seller agrees to sell and the Buyer agrees to buy the Property for the Price upon the conditions herein contained.
- 2
 - (a) The Seller shall on completion execute the Transfer in favour of the Buyer and the Buyer shall execute a counterpart of the Transfer.
 - (b) The Transfer of the Property will be granted with full title guarantee in respect of title number []
 - (c) The Property is sold subject to (and with the benefit of as the case may be) all such matters (if any) as are contained mentioned or referred to in this Agreement and/or the Transfer and
 - (i) All local land charges registered at the date hereof
 - (ii) All notices served and orders demands proposals or requirements made by any public or other competent authority before the date of this Agreement.
 - (iii) All actual or proposed charges notices orders restrictions agreements obligations conditions contraventions or other matters arising under the statutes now relating to town and country planning.
 - (iv) All easements quasi-easements wayleaves rights exceptions or other similar matters apparent on inspection or disclosed in any of the documents supplied to the Buyer's solicitors by the Seller's Solicitors prior to the date hereof.
 - (v) Incumbrances which the Seller does not and could not know about.
 - (vi) All matters (including any matters which are unregistered interests which override first registration under schedule 1 of the Land Registration Act 2002 and/or unregistered interests which override registered dispositions under schedule 3 to the Land Registration Act 2002 without obligation on the Seller to specify the same) disclosed or which might reasonably be expected to be disclosed as a result of searches or enquiries formal or informal made by or on behalf of which a prudent Buyer or which a prudent Buyer ought to make of the relevant authorities
- But otherwise free from incumbrances.
- (d) The Buyer will as soon as reasonably practicable on request by the Seller join in and be a party to any deed or document reasonably required by the Seller:
 - (i) To grant easements over the Property to any public authority in connection with the services to be provided for the benefit of the Building and
 - (ii) To procure adoption of any adoptable services by the relevant or adopting authority in connection with adoptable services provided for the benefit of the Building

- (e) The terms and conditions of Schedule 2 shall be deemed fully incorporated into this Agreement
- (f) The Property is sold subject to an Advanced Rental Guarantee in the form annexed to this Contract in Schedule 5 which for the avoidance of doubt shall become effective from the Deferred Payment Date.

DEPOSIT

- 3
- (a) The Buyer shall on or before entering into this Agreement pay to the Buyer's solicitors a deposit equal to the Reservation Deposit which shall form part payment of the Price.
 - (b) The Seller shall be entitled to treat non-payment of the deposit as a fundamental breach of this Agreement including in particular if any cheque provided in respect of the deposit or part of it is dishonoured on first presentation.
 - (c) In the event that the deposit paid is less than Reservation Deposit then the amount of the balance shall at all times remain due to the Seller and in the event of rescission or failure to complete this Agreement through no fault of the Seller and without prejudice to the conditions herein contained such balance shall be a debt due to the Seller by the Buyer payable on demand.

STANDARD CONDITIONS

- 4
- (a) The Standard Conditions of Sale (Fourth Edition) ("the Standard Conditions") shall be deemed to be incorporated and shall apply to this Agreement so far as they are applicable to a sale by private treaty relate to the grant of a lease and are not varied by or inconsistent with the express terms of this Agreement.
 - (b) Standard Conditions 1.1.4 2.2, 3,1,1, 3,1,2, 3.1.3, 3.4, 4.2, 4.3.1, 4.4.2, 5.1, 5.2, 6.1.1 and 7.1 shall not apply.
 - (c) The Property will remain at the Seller's risk until completion and the Seller will keep in force an appropriate insurance policy to cover all usual comprehensive risks and in addition all risks caused by or connected with the Seller's refurbishment scheme. The Seller will produce a copy of the policy to the Buyer on request.

TITLE

5.1 Title shall be deduced as follows:

By way of :-

- (a) Photocopies of the Official Copies of the Register and Title Plan of the freehold title number CH504729 and CH494361 and Leasehold title number [] and a copy of the respective Title Plans;

The Buyer shall be deemed to purchase with full knowledge thereof and shall not be entitled to raise any requisition or enquiry with regard thereto

COMPLETION

- 6
- (a) The purchase of the Property shall take place on the Completion Date when the Buyer shall pay to the Seller the Completion Payment in part payment of the Price
 - (b) The Buyer shall on completion enter into the Legal Charge over the Property to secure the Deferred Payment in favour of the Seller in the form set out in Schedule 3
 - (c) The Deferred Payment shall be paid by the Buyer to the Seller within 10 working days of the issue of the Certificate of Practical Completion pursuant to Schedule 2 and where sent by Fax to the Buyer or the Buyer's Solicitors shall be date of transmission of the Fax and
 - (d) If the Deferred Payment is not paid to the Seller's Solicitors within the time specified in this condition then the Buyer shall upon completion pay to the Seller interest on the balance of the price outstanding at the Contract Rate at the date upon which payment should have been made such interest to be calculated from the last day upon which payment should have been made until the date on which it is actually made.
 - (e) The Completion Payment and the Deferred Payment shall be paid by telegraphic transfer to the Seller's solicitors' bank account
 - (f) Completion of the purchase shall not take place until the Completion Payment shall have been received into the Seller's solicitors' said bank account
 - (g) The Property will be refurbished and ready for occupation as soon as reasonably practicable but the Seller will not be responsible for delay caused by matters beyond the Seller's reasonable control including (but not limited to) bad weather, fire, delay by suppliers of materials or subcontractors, or delay in the connection of water, electricity, drainage or gas services.
 - (h) The Buyer shall not be entitled to access to the Property or to enter into occupation save by prior agreement with the Seller for the purpose of inspection only until the Price has been paid in full and the Buyer from Completion grants a licence to the Seller and all those authorised by it to enter the Property at all times to carry out the Works pursuant to Schedule 2 but in all other respects, the Seller shall give the Buyer vacant possession of the Property on the grant of the Lease subject to the Property Management Agreement
 - (i) The Seller shall on the Completion Date deliver the executed Transfer of the Property to the Buyer and the Management Agreement and (if title to the Property is not already registered in the name of the Seller) an undertaking from the Seller's Solicitor that it will have completed the Transfer mentioned at clause 5.1(b) to the Seller on or prior to the Completion Date and to pay all stamp duty land tax on the Transfer and promptly register it at the Land Registry and on registration deliver a copy of the Seller's legal title to the Buyer

- (j) The Seller will make an allowance to the Buyer of 6% per annum of the sums paid pursuant to the Contract and calculated (and pro rata for part of a month) from the date such payment is received by the Seller's Solicitors to the date of issue of the Certificate of Practical Completion such sum to be deducted from the Deferred Payment

- 7 The Buyer shall on completion pay to the Seller the sum of **ONE HUNDRED POUNDS (£100.00)** plus VAT for one copy of the Lease, the engrossment thereof and the plans supplied

BUY-BACK OPTION

- 8 Within three months before the end of the 7th year of the Deferred Payment Date, the Purchaser has the option to trigger ALD's Obligation listed hereunder by serving the other party a written notice of their intention to exercise the option to sell the Property to ALD.

ALD's OBLIGATION

ALD has the obligation to market to sell the Property at 121% of the Purchase Price, hereunder referred as "Target Sale Price", or the prevailing market price, should the Purchaser exercise the option. In the event the Property is sold below the Target Sale Price, ALD will pay the shortfall to the Purchaser. In the event the Property is sold above the Target Sale Price, ALD will keep the excess. In the event the Property is not sold within six months of the written notice, ALD is required to buy the Property from the Purchaser at the Target Sale Price. For the avoidance of doubt, legal completion would be less than three months from formal contract exchange.

If the Purchaser exercises the option, the Purchaser is required to deliver the Property in vacant possession and substantially tenable and presentable conditions for the purposes of and to facilitate promotion and property viewings.

PROPERTY and BUILDING LAYOUT

- 9 The layout plan of the Building and the specification of the Property has been available for inspection by the Buyer (as the Buyer acknowledges) who shall be deemed to purchase with full knowledge thereof.

ERRORS OMISSIONS AND MISSTATEMENTS

- 10 (a) No error, omission or misstatement herein or any plan furnished or any statement made in the course of the negotiations leading to this Agreement shall annul the sale or entitle the Buyer to be discharged from the purchase save where it results from fraud or recklessness.
- (b) Any such error, omission or misstatement shown to be material shall entitle the Buyer or the Seller, as the case may be, to proper compensation.

- (c) No immaterial error, omission or misstatement (including a mistake in any plan furnished for identification only) shall entitle either party to compensation.
- (d) Sub-condition (a) shall not apply where compensation for any error, omission or misstatement shown to be material cannot be assessed nor enable either party to compel the other to accept or convey property differing substantially (in quantity, quality or tenure) from the property agreed to be sold if the other party would be prejudiced by the difference.

GENERAL

- 11 The Seller shall not be required to convey transfer or grant a lease of the Property to any person other than the Buyer named in this Agreement and the benefit of this Agreement shall be personal to the Buyer who shall not assign charge or otherwise dispose of it.
- 12 The condition headings are for ease of reference only and shall not affect the meaning or construction of this Agreement.
- 13 This Agreement incorporates all the terms agreed between the parties and constitutes the sole and entire contract between the parties hereto. The Buyer hereby declares that the Buyer has entered into this Agreement as a result of inspection of the Property and/or its specifications relying on the Buyers own judgement and the advice of the Buyers agents (if any) and on the basis of the terms hereof and not in reliance on any representation or warranty (whether written or implied) made by or given on behalf of the Seller (save any that have been made or given in writing by the Seller's Solicitors in reply to any enquiries made by or on behalf of the Buyer).
- 14 In this Agreement the singular shall include the plural and the masculine shall include the feminine and vice versa.
- 15 If the Buyer shall constitute more than one person every agreement and obligation herein on the part of the Buyer shall be joint and several and the service of notice on any such person shall be deemed to be served on the Buyer.
- 16 Despite completion of the purchase having taken place this Agreement shall remain in full force and effect with regard to anything remaining to be done performed or observed.
- 17 Each amount stated to be payable by the Buyer to the Seller under or pursuant to this agreement is inclusive of VAT (if any).
- 18 Any notice required to be given under this agreement shall be in writing and shall be delivered personally, or sent by pre-paid first class post or recorded delivery or by commercial courier, to each party required to receive the notice [or communication] as set out below:

- (a) Seller:
- (b) Buyer:

or as otherwise specified by the relevant party by notice in writing to each other party.

- 19 Any notice shall be deemed to have been duly received:
- (a) if delivered personally, when left at the address and for the contact referred to in this clause; or
 - (b) if sent by pre-paid first class post or recorded delivery, at 9.00 am on the second working day after posting; or
 - (c) if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed.
- 20 A person who is not a party to this agreement shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement.
21. This Agreement shall be interpreted in accordance with the laws of England
- 22 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 23 A reference to a statute or statutory provision shall include any subordinate legislation made from time to time under that statute or statutory provision.
- 24 A reference to **writing** or **written** includes faxes but not e-mail.
- 25 References to clauses and Schedules are to the clauses and Schedules of this agreement; references to paragraphs are to paragraphs of the relevant Schedule.
- 26 Any words following the terms **including, include, in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 27 Any obligation in this agreement on a person not to do something includes an obligation not to agree or allow that thing to be done.
- 28 Unless this agreement otherwise expressly provides, a reference to the **Property** or the **Works** is to the whole and any part of them.

DATED this day of 2015

SIGNED
Buyer

SIGNED
For and on behalf of the Seller

SCHEDULE 1

THE LEASE

SCHEDULE 2

In this Schedule the following definitions shall apply:

"Approved Documents" means the estate layout plan of the Building and all other plans, specifications, drawings, and other data for the Works including (where applicable):

- (a) any variations or amendments that may be agreed by the Landlord and the Tenant from time to time; and
- (b) any minor variations permitted under *paragraph 1.2* of this Schedule.

"Certificate of Practical Completion" means a certificate to be issued by the Seller's Agent stating that the Works have all been completed and shall include the Warranty Document and Building Regulation Certificate

"Certificate of Making Good" means the Seller's certificate or written statement certifying that the Snagging Works have been completed.

"CDM Regulations" means the Construction (Design and Management) Regulations 2007 as the same may be amended or replaced from time to time

"Deleterious Materials" means any goods materials or equipment which are themselves or which incorporate substances which are generally known at the time of use to be deleterious to health and safety or the durability of the Property or the Works in the particular circumstances in which they are to be used or are otherwise not in accordance with the relevant British and European Standards and Codes of Practice and "Good Practice in the Selection of Construction Material" as published by Ove Arup and Partners or good building practice or techniques

"Long Stop Date" means 30th April 2017

"Necessary Consents" means all necessary planning permissions conservation area consents listed building consents bye-law and building regulation consents stopping-up orders and all other necessary consents and approvals of any competent authority obtained or to be obtained by the Seller for carrying out the Works in accordance with the provisions of this agreement

Planning Permission means the detailed planning permission dated [] from Halton Borough Council under reference 15/00034/P33PA together with all requisite approvals already issued in connection with it and any waivers, relaxations or variations of any of its terms.

Practical Completion Date: the date stated in the Certificate of Practical Completion.

Snagging Works means the works necessary to rectify any defects liability period or rectification period identified in any snagging list produced on the Issue of the Certificate of Practical Completion.

"Warranty Documents" means the relevant home warranty documentation.

"Works" means the refurbishment and construction works to The Whitehouse, East Lane, Runcorn, to complete 448 residential units of accommodation in accordance with the Approved Documents to be carried out on the Property and the Building by the Seller

1. SELLER'S BUILDING OBLIGATIONS

1.1 The Seller shall (unless it shall have already started the Works) within 14 days of the date of this Agreement commence and thereafter carry out and complete the Works with due diligence and in a good and workmanlike manner using only suitable good quality materials goods and equipment of their several kinds and

in accordance

- (i) with the Necessary Consents, the Planning Permission and the Approved Documents
- (ii) the Seller's overall design criteria for the Property
- (iii) all requirements of the CDM Regulations all statutory or other legal requirements and the recommendations or requirements of the local authority or statutory undertakings
- (iv) with all relevant British Standards, codes of practices and good building practice; and

and

- (i) in accordance with the provisions of this agreement
- (ii) by selecting and using materials so as to avoid known hazards to the health and safety of any person and to ensure the long term integrity of the Property.

and not using any Deleterious Materials

1.2 The Seller in the carrying out of the Works may make such reasonable minor alterations (including substitution of unit number) in the Approved Documents as may be required save that

- (a) any such changes shall not materially alter the area and size of the Property; and
- (b) the variations are in accordance with the Planning Permission, the Necessary Consents and any statutory requirements; and
- (c) any substitute materials used are of an equal or better quality and suitability to those originally specified; and
- (d) the variations do not delay the completion of the Works; or

- (e) the variations are required by any local or competent authority or statutory undertaking as a condition of the grant or continuance of any of the Necessary Consents.

2 CERTIFICATE OF PRACTICAL COMPLETION

2.1 When the Seller believes that all the Works have been completed the Seller shall procure that

- (a) the Buyer is given not less than 2 days' notice of the date upon which the Seller's Agent is to carry out a completion inspection of the Works with a view to issuing a Certificate of Practical Completion and allows the Buyer and the Buyer's Surveyor to attend the inspection and make representations to the Seller either during the inspection or in writing immediately thereafter;
- (b) the Seller's Agent shall have due regard to any representations concerning the issue of the Certificate of Practical Completion which are made by the Buyer or the Buyer's Surveyor to the Seller's Agent.

2.2 On or as soon as reasonably practicable after practical completion of the Works the Seller shall procure that:

- (a) the Seller's Agent shall issue the Certificate of Practical Completion and
- (b) a copy of such certificate shall be delivered to the Buyers Conveyancer as soon as reasonably practicable thereafter together with a copy of any snagging list;
- (c) the Seller shall supply to the Buyer the Warranty Documents in respect of the Property.

2.3 (a) The Seller shall after the issue of the Certificate of Practical Completion continue to carry out and complete any Snagging Works as soon as possible after the date of Practical Completion and which are specified in any snagging list (b) The Seller shall procure that the Seller's Agent gives at least 2 working days' notice to the Buyer of the Seller's Agent's intention to inspect the Works for the purpose of issuing the Certificate of Making Good and allow the Buyer or the Buyer's Surveyor to make representations during either the inspection or in writing immediately thereafter

(c) The Seller's Agent shall have due regard to any representations concerning the issue of the Certificate of Making Good which are made by the Buyer or the Buyer's Surveyor to the Seller's Agent

(d) The Seller shall procure that the Seller's Agent gives a copy of the Certificate of Making Good to the Buyer as soon as practicable after its issue

2.4 If the Practical Completion Date has not occurred by 4.00 pm on the Long Stop Date, either the Seller or the Buyer may, at any time after the Long Stop Date but before the Practical Completion Date, give notice to the other that, unless the Practical Completion Date occurs within 20 working days of the receipt of that notice (time being of the essence), it may rescind this Agreement. If the Practical Completion Date does not occur within 20 working days of

receipt of that notice then it may, by further notice rescind this Agreement with immediate effect. When this Agreement is rescinded, the following actions shall occur:

- (a) The Completion Payment the Deposit and the Reservation Deposit shall be repaid to the Buyer
- (b) Compensation equivalent to the amount actually paid by the Buyer in Stamp Duty Land Tax, legal fees and Land Registry Fees shall be made by the Seller to the Buyer
- (c) On receipt of all the sums of money set out above (which if not paid within 5 working days of the date of rescission shall bear interest at from that date be payable by the Borrower at the rate of 3% above the Base Rate for the time being of Barclays Bank PLC) the Buyer will at the cost of the Seller execute a transfer of the Property back to the Seller

Such rescission shall be without prejudice to the rights of each party in respect of any earlier breach of this Agreement.

SCHEDULE 3

THE LEGAL CHARGE

SCHEDULE 4

THE MANAGEMENT AGREEMENT

SCHEDULE 5

Advanced Rental Guarantee

Supplemental definitions

AST		means an assured shorthold tenancy (or such equivalent form of letting following any modification of the housing legislation) or a licence to occupy on reasonable and proper terms
2nd Phase Completion Date		Means the date of the payment of the Deferred Payment referred to in the Agreement
Contents		means the fixture and fittings at the Property together with any furniture carpets curtains and other effects listed on the attached inventory (Please attach)
Expiry Date		means the end of the third year following the 2 nd Phase Completion Date
Guarantee Period		means the period of three years commencing on the 2 nd Phase Completion Date with the Seller guaranteeing rental return of 8% of the Price per year to the Buyer and ending on the Expiry Date
Lease		means the lease of the Property dated ***
Management		means the business of the Seller in granting AST's of the Property and making and receiving payments under the terms of the Lease and the AST pursuant to this Agreement
Property		Apartment ***, The Whitehouse, East Lane, Runcorn

- 1 Upon the 2nd Phase Completion Date the Buyer (and for the purposes of this Schedule the Buyer shall include any and all successors in title for the duration of the Guarantee Period) shall receive in the sum of £*** as a payment of guaranteed rental income (the "Rental Guarantee") for the Guaranteed Period. At the joint election of the Buyer and Seller the Rental Guarantee shall be paid in advance on the 2nd Phase Completion Date and shall be deducted from the Deferred Payment.
- 2 For the avoidance of doubt, any net rental above the Rental Guarantee in the Guarantee Period will be paid to the Buyer at the end of the Guarantee Period by bank transfer to an account nominated by the Buyer
- 3 In consideration of receipt of the Rental Guarantee the Buyer irrevocably appoints the Seller (or such other company within the group of companies of the Seller or their nominee) to be its agent for the Management of the Property for the Guarantee Period and the Seller accepts such appointment;
- 4 The Buyer authorises the Seller to act for him and on his behalf :

- 4.1 in performing any act and doing any reasonable thing properly required by clause 5 below;
- 4.2 in executing AST's in the name of the Buyer;
- 5 The Buyer agrees with the Seller throughout the Guarantee Period:
 - 5.1 To ratify all reasonable and proper acts deeds or things done by the Seller in accordance with its powers hereunder in the Management of the Property;
 - 5.2 To comply with the lessee's covenants in the Lease and make all payments due under the Lease promptly without deduction or set-off (which shall include any service charge or ground rent as defined within the Lease);
 - 5.3 To indemnify and keep indemnified the Seller against all and any loss damage or liability and the reasonable and proper legal fees and costs incurred by the Seller in the course of conducting the Management of the Property in accordance with this Agreement;
 - 5.4 To maintain and keep in good repair all parts of the Property and the Contents and when necessary and subject as provided by the Lease renew replace or improve any part thereof and when required to decorate the parts of the Property required by the Lease;
 - 5.5 Not at any time during the Guarantee Period to occupy or let the Property or allow any person to occupy the Property other than an occupational tenant under the AST;
 - 5.6 Not at any time to divulge to any person any of the details of this Agreement other than as permitted in writing by the Seller or as otherwise required by law;
- 6 The Seller agrees with the Buyer throughout the Guarantee Period:
 - 6.1 From time to time to grant an AST to tenant considered desirable by the Seller;
 - 6.2 To let the Property for use and occupation by a tenant for residential purposes;
 - 6.3 To ensure that the tenant (before entering into occupation of the Property) has entered into an AST and to ensure that the tenant does not acquire any security of tenure in the Property beyond the contractual term of such AST;
 - 6.4 To carry out the Management of the Property diligently on behalf of the Buyer in accordance with the terms of the Lease and in doing so to act in such manner as the Seller reasonably considers in the best interest of the Buyer and to use all reasonable endeavours to ensure that the tenants comply with the provisions of the AST and the Lease;
- 7 General
 - 7.1 This Rental Guarantee and the provisions of this Schedule shall terminate on the Expiry Date;
 - 7.2 The Buyer may at any time assign any or all of its rights and obligations under this Agreement;
 - 7.3 If this terms of this Schedule are breached or terminated by the Buyer or the Buyer elects to take occupation of the Property during the Guarantee Period the Buyer shall pay to the Seller an apportioned amount equal to the remainder of the Rental Guarantee for the Guarantee Period.