

## OPTION TO PURCHASE AGREEMENT

>> day of << >> 20<< >>

**Seller:** <<Seller's name>> [(company number << >>)]

**Buyer:** <<Buyer's name>> [(company number << >>)]

**Completion Date:** << >> working day of << >> month << >> year

**Option** The right to require the Seller to sell the whole of the Property to the Buyer on payment of the Option Fee.

**Option Fee:** £<< >>

**Option Period:** From and including << >> day of << >> month << >> year until 5pm on << >> day of << >> month << >> year

**Price:** £<< >>

**Property:** The property shown as <<Address>> attached to this Agreement known as:

<<Address>>

<<Address>>

<<Address>>

### 1. Grant of Option

- 1.1 In consideration of the sum of << >> pounds, the Buyer to the Seller (receipt of which the Seller acknowledges), the Seller hereby grants the Option to the Buyer.
- 1.2 The Option is granted pursuant to the terms of this Agreement.
- 1.3 The Option may be exercised by the Buyer at any time before the end of the Option Period.
- 1.4 The grant of the Option shall be without charge or otherwise to the Buyer. The Buyer may not assign, sub-license or otherwise dispose of this Agreement.

### 2. Access to Property during Option Period

- 2.1 During the Option Period, the Buyer's agents, surveyors and contractors) may enter the Property at reasonable times and after giving 48 hours' written notice in writing in order to carry out inspections, investigations and surveys.

### 3. Exercise of Option

- 3.1 The Option is to be exercised by the Buyer by serving notice on the Seller stating that the Buyer is exercising the Option.
- 3.2 Once the Option is exercised, the Seller and Buyer will be contractually bound to the sale and purchase of the Property at the Price on the Conditions of Sale (Standard Commercial Property Conditions) (Second Edition) incorporated into the sale and purchase contract insofar as they are not inconsistent with the other provisions of this Agreement.
- 3.3 The conditions in Part 2 of the Standard Commercial Property Conditions (Second Edition) shall apply to the sale and purchase of the Property.

- Edition) do not apply
- 4. Title**
- 4.1 The Property is registered with title number << >>.
- 4.2 The Property will be transferred in standard condition (Second Edition)[.] C
- 4.2.1 <<
- 4.2.2 <<
- 4.2.3 <<
- 4.3 The Buyer is deemed to have received title prior to the date of this Agreement and may not be concerned about title after this Agreement is entered into.
- 5. Dealings with the Property**
- 5.1 The Seller may not, on or after the Completion Date, dispose of or create any interest over the Property without the prior written consent of the Buyer.
- 5.2 If the Seller transfers the Property (or any part of the Property), the Seller shall enter into a deed of charge or lease or charge or lease with the Buyer requiring the transferee, assignee or lessee to assume the obligations of the Seller in this Agreement.
- 5.3 The Seller consents to the entry of the following restriction on the title to the Land Registry to enter the title to the Property:
- "No disposition of the Property, whether by the proprietor of the registered estate, or by the proprietor of a charge, not being a charge registered before the date of the completion of the transfer, is to be registered without a certificate signed by the Buyer or the Seller or the Seller's solicitors, dated the << >> day of << >> 20<< >> have the effect of overriding the provisions of clause [5.2] of an Option to Purchase Agreement dated the << >> day of << >> 20<< >> that they do not apply to the Property."
- 6. Completion of sale and purchase**
- 6.1 Completion of the sale and purchase shall take place on the Completion Date.
- 6.2 The transfer deed will be executed by the Seller or the Seller's solicitors] OR [in the form of the draft transfer deed.]
- 6.3 The Buyer will pay the purchase price on the Completion Date by direct credit to a UK bank account nominated by the Seller.
- 6.4 The Seller will give possession of the Property on the Completion Date.
- 6.5 [On the Completion Date the Seller shall pay to the Seller <<insert any other payments e.g. service charges>>.]
- 7. Land Registry Notices**
- 7.1 Neither party shall be concerned with the entry of a notice to be entered on the registered title to the Property.
- 7.2 The Buyer may apply for the entry of a notice to be entered on the registered title in relation to the Property. The Seller shall not object to such an application.

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- 7.3 "Agreed notice" and the meanings ascribed to them by section 34 of the Law of Property Act 1925.
- 7.4 After the end of the term of the Agreement, the Buyer will apply for the removal of any entry on the register in relation to the Agreement.

8. Value Added Tax

- 8.1 Any sums payable by the Buyer under the Agreement are exclusive of value added tax.
- 8.2 The Buyer shall pay any sums payable by the Buyer under the Agreement which is chargeable on value added tax.

9. Miscellaneous

- 9.1 The Seller and Buyer agree that no person who is not a party to this Agreement has no right arising from the Contracts (Rights of Third Parties) Act 1999 to enforce or vary the terms of this Agreement.
- 9.2 All notices given under the Agreement must be in writing and for the purpose of service the provisions of the Law of Property Act 1925 shall apply to the notices contained in Section 196 of the Law of Property Act 1925.

Signed by/on behalf of the Seller .....

Signed by/on behalf of the Buyer .....

NOTE: Draft transfer to be annexed to this Agreement.

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