



Summary

This simplified style is for use in a purchase of an investment commercial property – a property subject to full repairing and insuring (FRI) leases. It is drafted from the standpoint of the Purchaser. The assumption is made that the Property is relatively mature with no construction work of any significance having been carried out in the preceding 10-12 years – hence there is no construction documentation to be exhibited or associated rights to be transferred. There is no provision for payment of a deposit or for a settlement retention, and it is assumed that the Purchaser will not be taking over and continuing service contracts (e.g. in respect of maintenance and management of the Property). A significant focus of the style is on securing for the Purchaser at the Date of Settlement all relevant rights enjoyed by the Seller as outgoing landlord in relation to the Occupational Leases to which the Property is subject. But for this purpose a simple leasing structure is assumed. For instance, the style would be particularly appropriate for a single occupancy (as opposed to multiple occupancy) property let to a single occupational tenant. In that situation there would be no service charge (and no sinking fund). It is also assumed that no rent reviews are outstanding in respect of the Occupational Leases at the time of the transaction; and that there are no rent deposit agreements or tenant guarantees. 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 (particularly the terms of the Lease Documentation), 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, among other things, a property enquiry certificate. 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. 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
2.	Interpretation	8
3.	Entry	9
4.	Payment of Price [and interest]	9
5.	VAT	11

6.	Suspensive Condition	16
6.1	Purchaser's satisfaction	16
6.1.1	Title and real burdens etc.	16
6.1.2	Reports etc.	16
6.1.3	Board approval	16
6.1.4	Occupational Leases	16
6.2	Purification and termination of the Missives	16
6.3	Longstop Date	17
7.	Seller's warranties	17
7.1	Effect of warranties	17
7.2	Ancillary Property and Installations	18
7.3	Minerals	18
7.4	Water and sewerage	18
7.5	Electricity and gas etc.	18
7.6	Roads etc.	18
7.7	Flooding and subsidence	19
7.8	Asbestos etc.	19
7.9	Deleterious Materials etc.	19
7.10	Condition of the Property etc.	19
7.11	Rateable value etc.	19
7.12	Pecuniary burdens	19
7.13	Title conditions and servitudes etc.	20
7.14	Occupational Leases	20
7.15	Access to Adjoining Property	21
7.16	Common property	21
7.17	Community Interests	22
7.18	Planning agreements	22
7.19	Matrimonial occupancy rights etc.	22
7.20	Antisocial Behaviour etc. (Scotland) Act 2004	22

7.21	Disability discrimination	22
7.22	Environmental Laws	23
7.23	Health and safety	23
7.24	Fire Protection Laws	23
7.25	Consents and permitted use	23
7.26	Statutory Notices etc.	24
7.27	Zoning and listing etc.	24
7.28	Service Contracts	24
7.29	Disputes	24
8.	Occupational Leases	25
8.1	New matters	25
8.2	General management	25
8.3	Apportionment of rent and insurance	26
8.4	Arrears of rent etc.	27
9.	Rates apportionments etc.	27
10.	Access to the Property etc.	27
11.	Minerals	27
12.	Maintenance etc. of Ancillary Property etc.	27
13.	Service Contracts etc.	28
14.	Scheduled Repairs	28
15.	Statutory Notices	28
16.	Maintenance, risk and insurance	28
17.	Settlement requirements	29
18.	Cost of searches etc.	35
19.	Entire agreement	35
20.	Governing law	35
21.	Alienation	35
22.	Confidentiality	35
23.	Supersession	35

24. Time limit for acceptance	36
SCHEDULE PART 1 - ANCILLARY PROPERTY	37
SCHEDULE PART 2 - LEASE DETAILS	38
SCHEDULE PART 3 - LEASE DOCUMENTATION	39
SCHEDULE PART 4 - PURIFICATION NOTICE	40
SCHEDULE PART 5 - TENANT NOTIFICATION	41
SCHEDULE PART 6 - SIGNATORIES' CERTIFICATE	43
SCHEDULE PART 7 - LETTER OF OBLIGATION	45