**Schedule 1**

**Pre-emption**

1. **Interpretation**

The following definitions and rules of interpretation apply in this agreement.

* 1. **Definitions:**

1. **Acceptance Notice**: the duplicate of an] Offer Notice signed and dated by the Buyer.
2. **Acceptance Period**: the period commencing on, and including, the date of service of Offer Notice and ending at midnight on the later of:
   1. the expiry of 10 Working Days ; and
   2. the expiry of 10 Working Days **or** after the day that the Purchase Price is agreed or determined in accordance with the terms of this agreement.

1. **Completion Date**: the day tha 10 Working Days after the date of service of an Acceptance Notice by the Buyer on the Seller.
2. **Contract Rate**: 4% per annum above the base rate from time to time of Barclays Bank Plc.
3. **Deposit**: 10 % of the Purchase Price] (exclusive of VAT).
4. **Disposal**: a disposition or an agreement for a disposition within the meaning of section 205 of the Law of Property Act 1925 of the whole or any part of the Property [including (but not limited to):
   1. a sale (whether or not at open market value);
   2. a gift;
   3. an exchange in return for other property;
   4. a declaration of trust; or
   5. a grant of a lease
5. other than a Permitted Disposal or the sale, transfer, grant of an option over, or any other disposal or agreement for a disposal of shares in the Seller or of any legal or beneficial interest in the Transferee .
6. **Disposal Period**: a period commencing on the expiry of an Acceptance Period and ending at midnight on the day that is 4 weeks **or** after the expiry of the relevant Acceptance Period.
7. **Expert**: an independent chartered surveyor with at least 10 years' experience in valuing properties similar to the Property who is a Member or Fellow of the RICS appointed in accordance with 7.
8. **Insured Risks**: fire, explosion, lightning, earthquake, storm, flood, bursting and overflowing of water tanks, apparatus or pipes, impact by aircraft and articles dropped from them, impact by vehicles, riot, civil commotion and any other risks against which the Seller decides to insure against from time to time.
9. **Market Value**: the estimated amount for which the Property should exchange between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion, on the basis that:
   1. it is assessed in accordance with paragraph 4 of VPS 4 of the RICS Valuation – Global Standards 2017 ;
   2. the Property has vacant possession; and
   3. any damage and destruction occurring after the date of this agreement is assumed to have been fully reinstated[.

1. **Offer Notice**: written notice in the form set out in 1 to this agreement.
2. **Part 1 Conditions**: Part 1 of the Standard Commercial Property Conditions (Third Edition - 2018 Revision) and **Condition**: means any one of them.
3. **Part 2 Conditions**: Part 2 of the Standard Commercial Property Conditions (Third Edition - 2018 Revision).
4. **Permitted Disposal**:
5. **Pre-emption Period**: the period from the date of this Transfer up to and including 5 years from the date of this Transfer
6. **Pre-emption Sum**: £ (exclusive of VAT).
7. **Property**: [the freehold property at [ADDRESS] registered at HM Land Registry with title [absolute] under title number[s] [NUMBER[S]

1. **Purchase Price**: the amount that is agreed or determined in accordance with 7 to be the Market Value of the Property at the date the [relevant] Offer Notice is served (exclusive of VAT).
2. **RICS**: Royal Institution of Chartered Surveyors.
3. **Right of Pre-emption**: the right for the Transferor to buy the Property, in accordance with the terms of this agreement, in the event of the Seller wishing to make a Disposal during the Pre-emption Period.
4. **Transferee’s Conveyancer**: [NAME, ADDRESS, FAX NUMBER, REFERENCE] [or any other conveyancer that may be notified in writing from time to time by the Seller to the Buyer
5. **Transferor’s Conveyancer**
6. the freehold property at [ADDRESS] shown more particularly delineated in [COLOUR] on the plan attached to this agreement and being the remainder of the land (excluding .
7. **VAT**: value added tax [or any equivalent tax] chargeable in the UK [or elsewhere].
8. **Working Day**: any day from Monday to Friday (inclusive) which is not Christmas Day, Good Friday or a statutory Bank Holiday.
9. **Written Replies**: are:
   1. written replies that the Seller's Conveyancer has given prior to exchange of this agreement to any written enquiries raised by the Buyer's Conveyancer; or

1. **Grant of the Right of Pre-emption** 
   1. On the date of this Transfer the Transferor will pay the Pre-emption Sum to the Transferee .
   2. In return for the Pre-emption Sum, the Transferee grants the Transferor the Right of Pre-emption.

1. **Registration of the Right of Pre-emption**

* 1. The Transferee consents to the following entries being made against the Transferees title to the Property at HM Land Registry in order to protect this agreement:
     1. An agreed notice; and
     2. A restriction in the following terms:

"No [disposition *or specify type of disposition*] of the registered estate [(other than a charge)] by the proprietor of the registered estate[, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction,] is to be registered without a certificate signed by Transferor of Town Hall Mare Street London E8 [or their personal representatives] [or [their conveyancer *or specify appropriate details*]] that the provisions of clause 5 of [an agreement dated [DATE] and made between Transferee and Transferor have been complied with or that they do not apply to the disposition".

* 1. Immediately at the end of the Pre-emption Period, the Transferor will cancel all entries relating to this Transfer registered against the title

1. **Offer**
   1. If the Transferee wishes to make a Disposal during the Pre-emption Period, it must first offer to sell the Property to the Transferor on the terms of this Transfer and serve an Offer Notice in duplicate on the Transferor .
   2. The offer contained in Offer Notice will be irrevocable and not capable of any amendment by the Transferee during the relevant Acceptance Period (except for the endorsement of the Purchase Price .
   3. The Transferee must not make a Disposal during the Pre-emption Period unless either the Transferor has declined the offer contained in Offer Notice or the relevant Acceptance Period has expired without the Transferor serving an Acceptance Notice and any Disposal will then be subject to the provisions of 6.8 *or 6.9*

1. **Acceptance**
   1. If the Transferee wishes to accept the offer contained in the an Offer Notice, it must serve an Acceptance Notice on the Transferee within the relevant Acceptance Period and on the date of service of the Acceptance Notice pay the Deposit to the Transferee’s Conveyancer as Stakeholder
   2. The provisions of 6.3 to 6.6 (inclusive) will only apply if:
      1. the Deposit is less than 10% of the Purchase Price; or
      2. no Deposit is payable on the date of service of the Acceptance Notice.
   3. In this clause, the expression **Deposit Balance** means:
      1. (where the Deposit is less than 10% of the Purchase Price) the sum calculated by deducting the Deposit from 10% of the Purchase Price; or
      2. (where no Deposit is payable on the service of an Acceptance Notice) a sum equal to 10% of the Purchase Price.
   4. If completion does not take place on the Completion Date due to the default of the Transferor , the Transferor will immediately pay to the Transferee’s Conveyancer the Deposit Balance (together with interest on it at the Contract Rate for the period from and including the Completion Date to and including the date of actual payment) by a method that gives immediately cleared funds.
   5. After the Deposit Balance has been paid pursuant to 6.4, it will be treated as forming part of the Deposit for all purposes of this agreement.
   6. The provisions of 6.3 to 6.6 (inclusive) are without prejudice to any other rights or remedies of the Seller in relation to any delay in completion.
   7. If an Acceptance Notice is served, the Transferee will sell the Property and the Transferor will buy the Property in accordance with the terms of this agreement.
   8. If the Transferor has not served an Acceptance Notice by the end of the Acceptance Period:
      1. the Right of Pre-emption will terminate on the expiry of the Acceptance Period, 5 will cease to apply and the Transfer may make a Disposal free of the Right of Pre-emption; ( but subject to clause 11.7 ) and
      2. the Transferor will remove all entries relating to this agreement registered against the title to the Property **OR** name of the Seller
   9. If the Transferor has not served an Acceptance Notice by the end of the relevant Acceptance Period:
      1. the Transferee may make a Disposal within the relevant Disposal Period, free of the Right of Pre-emption;
      2. prior to completion of a Disposal made pursuant to 6.9(a), the Transferor will supply the Transferee with a certificate signed by the Transferor or the Transferors Conveyancer confirming that the terms of this agreement have been complied with;
      3. following completion of a Disposal made pursuant to 6.9(a), the Transferor will remove all entries relating to this agreement registered against the title to the Property ; and
      4. if the Transferee does not make a Disposal during the relevant Disposal Period, the Right of Pre-emption will remain in force throughout the remainder of the Pre-emption Period.

1. **Purchase price** 
   1. Following service of Offer Notice, the parties will use all reasonable endeavours promptly to agree the Market Value of the Property as at the date of service of the relevant Offer Notice.
   2. Notwithstanding 7.1, if the parties fail to agree the Market Value of the Property within 4 weeks after the date of service of Offer Notice, the following provisions will apply:
      1. the determination of the Market Value of the Property as at the date of service of the relevant Offer Notice will be referred to an Expert;
      2. the parties will agree on the appointment of the Expert and will agree with the Expert the terms of the appointment;
      3. if the parties are unable to agree on an Expert within 4 weeks of either party serving details of a suggested Expert on the other, either party will then be entitled to request the President for the time being of the RICS to appoint the Expert and to agree with the Expert the terms of the appointment;
      4. the Expert will act as an expert and not as an arbitrator;

* 1. If any VAT is chargeable on any supply made by the Seller under or pursuant to this agreement, the Transferor will pay the Transferee an amount equal to that VAT, subject to the Seller supplying the Buyer with a VAT invoice at the time of payment.

1. **Notices**
   1. In] this clause any reference to a notice includes an Offer Notice and an Acceptance Notice.
   2. Any notice given under this agreement must be in writing and signed by or on behalf of the party giving it.
   3. Any notice or document to be given or delivered under this agreement must be:
      1. delivered by hand; or
      2. sent by pre-paid first class post or other next working day delivery service ; or

* + 1. sent through the document exchange (DX)

* 1. Any notice or document to be given or delivered under this agreement must be sent to the relevant party as follows:
     1. to the Transferee at:

[ADDRESS]

[DX: [DX NUMBER]]

[Fax: [FAX NUMBER]]

marked for the attention of [NAME/POSITION];

* + 1. to the Transferor at:

[ADDRESS]

[DX: [DX NUMBER]]

[Fax: [FAX NUMBER]]

marked for the attention of [NAME/POSITION];

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

* 1. Any change of the details given in 16.4 specified by the relevant party by notice in writing to each other party shall take effect for the party notified of the change at 9.00 am on the later of:
     1. the date, if any, specified in the notice as the effective date for the change; or
     2. the date [five] Working Days after deemed receipt of the notice.
  2. Giving or delivering a notice [(other than the Offer Notice or an Acceptance Notice)] or a document to a party's conveyancer has the same effect as giving or delivering it to that party.
  3. Any notice or document given or delivered in accordance with 16.2, 16.3 and 16.4 will be deemed to have been received:
     1. if delivered by hand, on signature of a delivery receipt or at the time the notice or document is left at the address] provided that if delivery occurs before 9.00 am on a Working Day, the notice will be deemed to have been received at 9.00 am on that day, and if delivery occurs after 5.00 pm on a Working Day, or on a day which is not a Working Day, the notice will be deemed to have been received at 9.00 am on the next Working Day; or
     2. if sent by pre-paid first class post or other next working day delivery service, at 9.00 am on the second Working Day after posting ; or

* + 1. [if sent through the DX, at 9.00 am on the second Working Day after being put into the DX ; or

* + 1. if sent by fax, at the time of transmission provided that if transmission occurs before 9.00 am on a Working Day, the notice or document will be deemed to have been received at 9.00 am on that day, and if transmission occurs after 5.00 pm on a Working Day, or on a day which is not a Working Day, the notice will be deemed to have been received at 9.00 am on the next Working Day.
  1. In proving delivery of a notice or document, it will be sufficient to prove that:
     1. a delivery receipt was signed [or that the notice or document was left at the address; or
     2. the envelope containing the notice or document was properly addressed and posted by pre-paid first class post or other next working day delivery service ; or

* + 1. the envelope containing the notice or document was properly addressed and was put in the DX or

* 1. A notice given or document delivered under this agreement will not be validly given or delivered if sent by email.
  2. This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

.

**The offer notice**

To: at:

[ADDRESS]

for the attention of [POSITION]

BY Post, hand , DX

IN DUPLICATE

* + 1. **Offer**

* + - 1. Transferee gives Transferor notice that it wishes to make a Disposal (as defined by the Agreement).
      2. The Transferee offers to sell the Property to the Transferor in accordance with the terms of this Transfer

[DATE]

for and on behalf of

Transferee

* + 1. **Endorsement of purchase price**

* + 1. **Acceptance**

To: Transferee at:

Address and name

DATE .

On behalf of of Transferor

|  |  |  |
| --- | --- | --- |
|  |  |  |
|  |  |  |
|  | | |
|  |  |  |
|  |  |  |
|  |  |  |
|  | | |
|  |  |  |