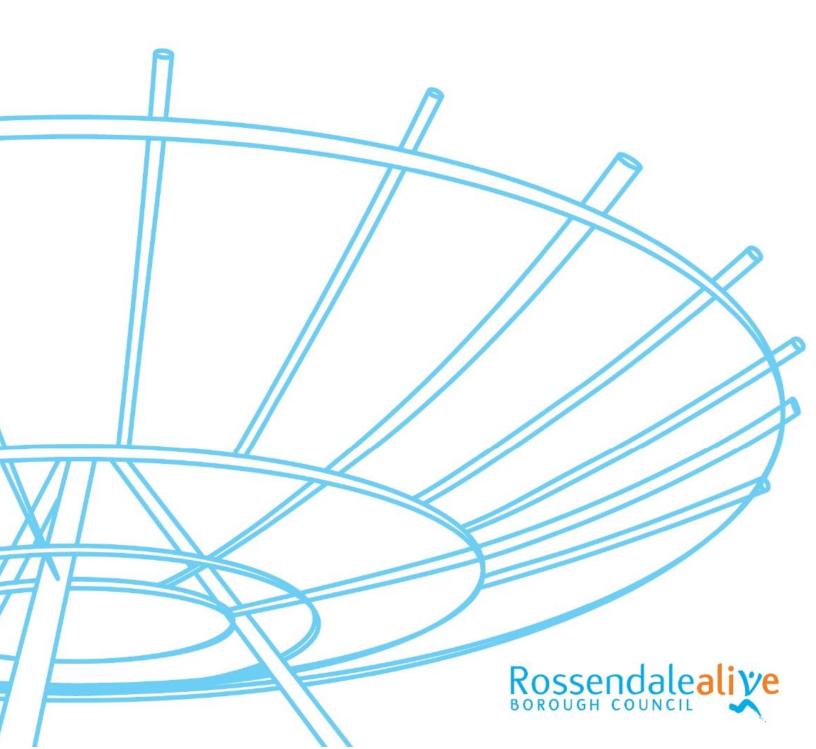
ROSSENDALE BOROUGH COUNCIL

DERELICT PROPERTIES SALES POLICY AND STANDARD OPERATING PROCEDURE



1.0 Introduction

Derelict Properties sale is a procedure that is primarily designed to enable councils to recover outstanding debts, created by actions that result in a land charge against a property. However, it also provides a method for getting long-term problematic properties back into use and has been adopted by a number of Councils across the country as an effective way of dealing with these vacant properties.

The procedure may ultimately be thwarted by payment of the outstanding debt by the owner. However, it will have made the owner take notice and hopefully galvanised them into action, not to mention the benefit of the associated debt recovery to the Council.

Rossendale Borough Council's Land Charges Department show that there are over 500 charges lodged against properties for action taken by Council Officers. With a further 130 potential charges registered against properties where Notices requiring outstanding action have been served. Of these charges, 97 relate to empty properties and land. The debt outstanding to the Council from these 529 charges is £306,987.12 and the debt owed from empty properties and land is £62,768.59.

There are social and financial benefits from adopting a Derelict Properties sales procedure. By selling property or land that is in a derelict condition on the open market, there is likelihood that a new owner will refurbish the property or develop out a site increasing the chances that it will become inhabited again and contribute towards neighbourhood regeneration. On the other hand, if it chooses to, the Council can sell the property to a preferred purchaser without full exposure to the property market. This is an option that should be considered when seeking the renovation of a property or site to complement other associated regeneration work. Financial charges incurred by the Council, which could otherwise prove impossible to recover, can be discharged out of the proceeds of the sale.

Implementation and publicity of this policy will also encourage other vacant property owners to maintain their properties in a reasonable state and condition resulting in less time spent by the Council in having to deal with the associated problems that long-term problematic vacant properties attract.

The Council already has an established cross departmental Vacant Property Task Group (VPTG) who identify suitable actions and existing debts for individual properties and land. The group consists of Officers from Health, Housing and Regeneration; Planning (inc. Conservation); Building Control; Legal; Facilities; Council Tax and Finance. It is envisaged that this group will oversee the use of the Derelict Properties Sales procedure (DPSP).

At the present time, it is not proposed that the procedure should be utilised in relation to occupied properties, because of the complexities surrounding the sale of a property without vacant possession.

2. Limitations of the Procedure

The issues surrounding the condition of an empty property vary so widely that no single measure offers a tailor-made solution. Even where the following criteria can be met, it is necessary to consider how likely the Derelict Properties Sales Procedure (DPSP) is to achieve the desired outcome and to ascertain whether other courses of action might be more suitable to resolve the situation.

The Derelict Properties Sales Procedure can be followed even where:-

- the owner cannot be traced; or
- the property has changed hands from the original owner on who the Notice was served so long as the relevant debt remains.

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The procedure may be used to recover debt arising from the exercise of any statutory powers that:-

- Confer a charge on all the estates and interests in the property.
- Confer Law of Property rights (i.e. grant the powers and remedies available as if the charge had been created by deed).

Any such charge will bind any prior charges affecting the property, i.e. the Council's charge will have a priority over other charges. However, covenants and easements over the property will not be so bound.

If the statutory powers under which the debt has arisen do not confer the abovementioned rights, then it will be necessary to consider whether Section 7 of the Local Land Charges Act 1975 applies. If it does apply, then the procedure may still be used, but only the estate of the offending party will be bound; not all the estates and interests in the property. Therefore, other charges may take priority over the council's charge, this needs to be a key principle when determining the action to be taken.

Principally, the statutory powers where debt from Works In Default can be registered in Part 2 of the Local Land Charge Register and which give priority over other charges are shown in the following table.

Statute	Priority Charge (over other Charges)	Interest (whether it accrues)
Public Health Act 1936 s45 and s83	Yes	Yes
Prevention of Damage by Pests Act 1949 s4	Yes	Yes
Environmental Protection Act 1990 s80	Yes	Yes
Housing Act 2004 s11, s12, s40 (2), s49, s50	Yes	Yes
Building Act 1984 s59, s60, s76, s77, s78, s84	Yes	No
Highways Act 1980 s154, s165	Yes	No
Local Gov. Misc. Provs Act 1982 s27, s29	No	No
Local Gov. Misc. Provs Act 1976 s33, s35	Yes	No

Note: Some charges will accrue interest which will be charged at the agreed rate.

Even though some enforcement actions do not take priority charge, the debt can still be recovered if the property goes to sale through DPSP.

Actions in relation to the service of statutory notices under these provisions are most likely to have given rise to the relevant debt(s).

Additionally, the following criteria will be applied when considering whether to instigate the procedure:-

- The principle sum of the original work carried out in default must total at least £1000. (This can be the total of a number of combined principle sums).
- The statutory notices must have been served correctly and refer to the relevant statute for the requirements relating to service. All copy notices must have been stamped and signed by the serving officer. This procedure <u>cannot be</u> employed if the notices have not been served in the correct manner. (If the serving officer is still employed by the council, then it may be possible to ask them to rectify the notice).
- The serving officer must complete a 'Record of Service of Notice' form on service of the statutory notice.
- There should be no proposed CPO action within a 2 year period.
- The property must not be the subject of any bankruptcy action. (This would usually be noted on the title or highlighted through Council Tax Records).

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It should be noted that the right to enforce a sale in order to recover land charges is limited by section 20 of the Limitation Act to 12 years from when the right to receive the money accrued, **not** from when the demand was sent out. However, where the owner has attempted to repay and any amount has been received, the 12 year period starts afresh from that date.

Where properties are shown as unregistered following Land Registry searches, the following points need to be considered, when determining the suitability of DPSP:-

- Where the statutory charge does not bind all the estates and interests in the property, it would be
 inadvisable to proceed unless it is certain that there are no prior charges and that the statutory charge
 binds the freehold or a long lease.
- It will be necessary for the eventual purchaser of the property to apply for first registration of the title. Difficulties might arise in determining the extent of the land to be registered and in identifying the encumbrances affecting the property.

2.1 Human Rights Act 1998

Consideration of the provisions of the Human Rights Act 1998 must be taken by the Council when considering DPSP. In particular, Part 1, Article 8 "the right to respect for... private and family life..., home and... correspondence", and Protocol 1, Article 1 "peaceful enjoyment of ... possessions", need to be balanced against the general benefits and rights of neighbours and the surrounding community.

A statement that the intended action of the Council in exercising its power of sale is considered to be proportionate, in accordance with the Act, should be included in letters to the Owner and Charges placed on the property. This will be covered by correspondence issued by Legal Services.

3. Pre-action to DPSP

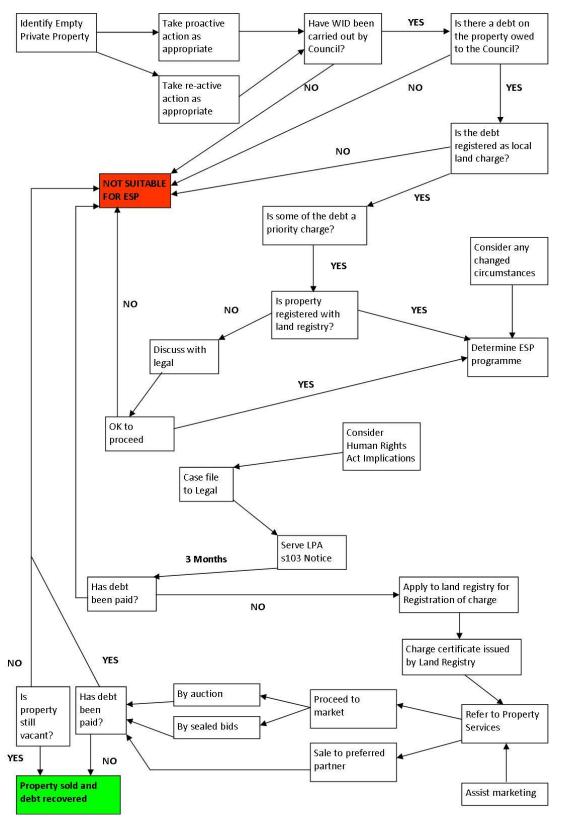
Other, more appropriate, types of action must always be a considered prior to pursuing a DPSP. The use of DPSP (as well as Compulsory Purchase Order) should be seen as a last resort and it is expected that all informal and formal action will have been taken and exhausted by the Council in order to recover the debt and to resolve the existence of the empty property and its associated problems, prior to this action.

The first priority should always be to try and trace owners of a vacant property or site and to make contact with them. Every effort needs to be made to try and engage with the owners and to offer them advice and assistance in getting their property back into use. Evidence has shown that through early intervention offering support and guidance to property owners can prove very useful in preventing long-term properties becoming more problematic. Indeed in most cases solutions can be reached through negotiation and agreement which are preferable to enforcement related solutions that are, by their nature, more difficult, expensive and time consuming for the Council to undertake.

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4. Procedure

Summary Flow Chart of Procedure

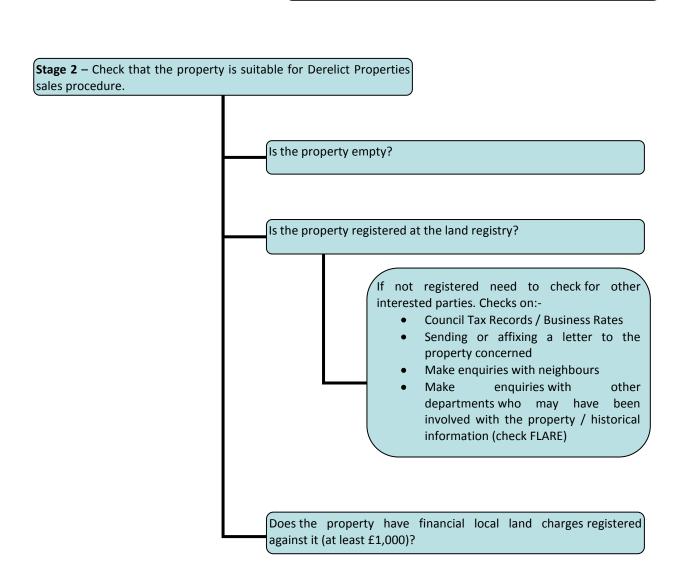


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Stage 1 – Vacant Property Task Group / Case officer to identify potential properties for Derelict Properties sale procedure

Proactive
Review of outstanding charges on Land Register and CTAX records.

Reactive
Follow on to previous enforcement work through non compliance by owner



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This file needs to contain copies of:-

- All statutory notices served prior to the Council carrying out the necessary works in default together with the details of how the notices were served.
- The Record of Service of Notice form.
- The work instructions to the contractor for the work to be carried out.
- All invoices from the contactors along with a detailed breakdown of labour and material charges.

These documents are filed in reference number, together with an account summary sheet which shows what is in the file, the notice number(s) and the amount of financial charge(s), excluding interest, in each case.

Also in the file are copies of any ownership details, local land charge details (Prepare a list of charges sheet at the beginning file) and any correspondence sent or received relevant to the property.

Stage 4 – Case file review. Legal Services with support from the case officer will then agree whether or not to progress the case further as a Derelict Properties Sale.

Insufficient evidence or incorrect service of previous notices – look at rectifying Notices if officers still at Council or review of alternative options such as CPO.

If correctly evidenced – proceed to Stage 5.

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All the notices originally served and notices of demand for payment are reserved on the property (with covering letter - Appendix 1). This will ensure that an owner or interested party is made aware of the debt and also ensures that there is adequate evidence available. Notices will be served by the following methods:-

- One must be served on the listed owner or owners by first class post, or by hand, or by affixing it to the property and
- One must be posted to any other address(es) shown on the Land Registry and to any other interested party of which the Council is aware.
- Copies must be stamped and signed by the serving officer.
- A 'Record of Service of Notice' form must be completed for each by the serving officer (Appendix 2).
- A photograph must be taken as evidence of any notices affixed to the property and weekly visits should be made in order to replace any notices that have been torn down.

Also at this point any notices needed to be served under section 81A Environmental Protection Act 1990 are also served (see Appendix 3 for sample 81A).

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After a period of 28 days if no appeal (as to the Section 81A notice) or payment is made, a notice pursuant to Section 103 of the Law of Property Act 1925 is then served. This notice gives the owner **three** months to repay the debt.

The property cannot be sold until the Section 103 notice has expired, but during this time the procedure is progressed through the various stages as far as possible. The Section 103 Notices are divided into 2 categories:

- Where notices pursuant to Environmental Protection Act 1990 have been served (see <u>Appendix 4</u>).
- Where <u>no</u> notices pursuant to Environmental Protection Act 1990 have been served (see <u>Appendix 5</u>).

When serving the s103 notice, a photograph is taken of the property and copies of all the notices served on the property and confirmation of the method of service are attached to the property file and onto the Flare database.

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Following the expiry of the 3 month period a check needs to be made with Finance to ascertain whether or not the debt has been paid.

If the debt has not been paid the case will be reviewed at the Vacant Property Task Group. The review should include consideration of whether the property should be sold to a preferred purchaser or whether it should be sold at auction.

Following the review, the case officer will prepare an authorisation form which, together with the case file, is passed to the Director of Business for authorisation under delegated powers (this authority is delegated to Cabinet Member for Health, Housing and Regeneration by resolution of the Council approval to this procedure).

Authorisation for sale and file forwarded to Legal.

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Check the current charges on the property

Upon receipt of the file from the Case Officer, go through the Works in Default element of the file and make a list of all the charges. A check then needs to be carried out to find out which charges are still outstanding.

Checks should also be made that the statutory notices have been correctly served.

Write to all interested parties if charges are still outstanding. A sample letter (Appendix 6) is sent to all persons on the register who have an interest in the property advising them of the position. This will include others who have a charge registered against the property. This letter gives the owner and any other interested parties fair notice of the steps the Local Authority proposes to take. It is accepted that in most cases the whereabouts of the owner will be unknown. Even so a letter addressed to the property and any other address(es)must be sent in an attempt to notify the owner. Every attempt is made such persons notice of Authority's proposals and ample opportunity to repay the debt. A period of 21 / 28 days is allowed for the persons served to respond.

The Legal team are responsible at this stage to send an instruction to the Sundry Debtors to:-

- Suspend all legal action regarding the debt
- Check the account numbers of the outstanding debts to make sure no payments have been received to date.

Legal should continue to make ongoing checks at weekly intervals in order to ensure no repayment has been made.

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GO TO STAGE 12 IF PROPERTY NOT REGISTERED AT THE LAND REGISTRY

Stage 9 - Registration of charge

If there is no response to the letter and no debts have been repaid then a charge must now be registered with the Land Registry.

A resolution for the relevant charge(s) must be prepared and be sealed by the Council (Appendix 7). This must record:-

- The statutory provisions.
- The service of the necessary notices.
- What work was done and when.
- The registration of the charge in the register of local land charges and claims priority over all estates and interests.
- A certificate made by the council that it has all the necessary rights and powers to make the application for registration of the charges and that it has taken all appropriate steps in accordance with the relevant statute.

An application Form AP1 (see <u>Appendix 8</u> for sample copy) must be prepared for registration of the charge. The current registration fee is £40 per charge provided each charge does not exceed £100,000. (In practice it is only necessary to register a single charge and there may be benefit in so doing since there is a cost of £40 per charge registered. On the other hand, if the owner elects to repay the debt, then he is only bound to pay the charge that has been registered).

Form SC (see Appendix 9 for sample copy) must also be completed in order to claim priority in favour of the council's charge over any existing charge registered against the title.

The completed application must be sent to Land Registry. This comprises of:-

- A covering letter (<u>Appendix 10</u>).
- The sealed and dated resolutions together with a certified copy of each resolution.
- The land/charge certificate or copies of the correspondence requesting the same.
 - Completed SC form.

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Once notification of completion of the registration is received from Land Registry – arrangements are then made for the sale of the property.

Legal services to check the charges have not been paid.

Property services are then informed of the registration and instructed to dispose of property either through auction or to a preferred purchaser.

Letters are then sent to the owners and interested parties advising them that the Council's charges are registered and it is the Council's intention to pursue a sale of the property (Appendix 11). This gives the owner and interested parties notice of the Council's intentions so that they cannot claim steps were not taken to notify them.

The letter must be copied to the case file for information and they must take a photograph as evidence of any notices affixed to the property and weekly visits should be made in order to replace any notices that have been torn down.

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Stage 11 – Check charges

Upon receipt of the file from the Case Officer, Legal need to go through the Works in Default file and make a list of all the charges. A check then needs to be carried out to find out which charges are still outstanding.

This is done as there are many ways debts can be paid and there is little point in undertaking work where a charge has been repaid.

Checks should also be made that the statutory notices have been correctly served.

Stage 12 Check that the property is not registered

A search of the index map must be undertaken at the Land Registry to ensure that the property is not registered. The search must also include the adjoining properties. This might reveal what incumbrances affect the property and also the extent/limits of the title of the property in question.

The extent of the property bound by the charge and that can be sold is ascertained by applying the facts to each case, and the particular statutory provisions that have given rise to the Local Land Charge. The position is clear in the case of charges which arise under the following legislation, therefore, Derelict Properties sales should be able to proceed in these cases:-

- Public Health Act 1936, Section 291
- Prevention of Damage by Pests Act 1949
- Building Act 1984, Section 107

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Stage 13 - Ascertain incumbrances affecting the property

Using any information found during this investigation and any information available as to the name(s) of the owner, the purported owner or any other interested party, a Land Charges Act 1972 search must then be carried out against the name of any such person(s) and the property concerned. This may produce clues as to incumbrances affecting the property e.g. easements, covenants and charges.

- Note: where the statutory charge binds all the estates and interests in the property, any registered charges will be of little significance, other than for the purpose of giving notice to any chargee as to the Council's intentions. However, where this is not the case, then it would probably be inadvisable to proceed unless it is certain that there are no prior charges and that the statutory charge binds the freehold or a long lease.
- As stated above, if any of the adjoining properties are registered, it may be possible to ascertain what incumbrances affect the same. This may give a purchaser some clues as to the matters affecting the property and make the property more marketable. The alternative is that no such steps are taken and the purchaser is made aware, via the contract terms, that such is the case. In both cases though, the contract for sale will need to contain special conditions covering the position.

Stage 14 Write to all interested parties

If the searches provide any information as to the identity or whereabouts of the owner(s) or other interested parties, or such information is already available, a letter is now sent to all persons having an interest in the property in order to advise them of the position see appendixes 6 & 7). This will include others who have a charge registered against the property. The owners copy must be:-

- Delivered to the Owner or Owners by post, or by hand or should be affixed to the property and
- Must be posted to any other address(es) shown on the Land Registry.

The letter must be copied to the Case Officer for information, who must take a photograph of any notices affixed to the property and carry out weekly visits in order to replace any notices that may have been torn down.

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If either: No information is found as to the identity or whereabouts of the owner(s) or other interested parties; or There is not reply within 21 days to the letter above The property is then put forward for sale. The contract for

Selling the empty property - Property Services

Stage 16 – Selling the empty property or land

Once the VPTG have been advised that the charges have been registered against the title and/or that the property can be put forward for sale, then Property Services will be instructed accordingly. Other than where there is particular justification, sale at auction will be the preferred option.

sale will need to contain special conditions.

If choosing sale by private treaty to a preferred purchaser then an independent valuation of the property will need to be commissioned. Sales to a preferred purchaser should require approval to be obtained from the appropriate Cabinet Member.

Whatever the method of sale a red book valuation is required for the Council's records.

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For a registered property the contract for sale will be the same as any contract for sale by a mortgagee.

In the case of an unregistered property there will probably be no deeds or details of any incumbrances affecting the property and the contract for sale need to reflect this.

- In such cases the form of the resolution prepared in respect or registered land is incorporated into the contract as a recital (see examples within <u>Appendix 12</u> for form of suggested special conditions of sale).
- On completion of the sale the Land Registry require the Council to provide a letter containing a certification by the Council that it has all the necessary rights and powers to dispose of the property and that it has taken all appropriate steps in accordance with the relevant statute (Appendix 13).
- It will be necessary to make the purchaser's solicitor aware that the letter must be submitted with their client's application for first registration.
- As far as the incumbrances are concerned, the Land Registry will probably make a 'protective entry' on the register to the effect that the property is subject to such incumbrances as affect the same at the date of the registration, no details having been provided on first registration.

Stage 18 - Title

Where the title deeds have not been recovered the following should be borne in mind:-

- Registered titles: copies can be obtained of the documents referred to on the title from the Land Registry. Where they are not available, include an appropriate clause in the contract to cover the position.
- Unregistered titles: There will probably be no deeds or details of the incumbrances affecting the property.

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Immediately prior to auction/exchange of contracts a further check is made to ascertain whether the charges have been repaid.

Stage 20 – Post Sale

The post sale procedure is to be generally the same as that for a normal sale.

The following deductions will be made from the proceeds of the sale:-

- Any auctioneer's fee.
- Surveyor / Valuation fee.
- Legal fee.
- RBC Administration fee 15%.
- Outstanding charges.

If the debts are greater than the proceeds of sale, consider whether the fees are to have first call on the proceeds or not. The auctioneer's fees will have to be paid in any event and the other fees should also have first call on the proceeds. Any remaining debt is taken off the property and placed against the former owner as a personal debt, to be pursued in the normal manner if economically viable.

If any balance remains from the proceeds of the sale and the whereabouts of the owner/the person first entitled is known, then the balance is paid in the normal way.

If, as is most likely, the owner's whereabouts are not known, then the balance must be paid into an interest bearing account or law Courts. If no claim is then made within a period of 12 years, the money reverts to the Council.

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BUSINESS DIRECTORATE

<<Department>>

Council Offices, Futures Park, Newchurch Road, Bacup, OL13 0BB

For further help, please contact:

Name:

Date:

Telephone: 01706 Minicom: 01706 252277

Email: Our reference:

Dear <Name>,

Re:

I am writing to as our records show/suggest that you have an interest in the above vacant property.

On the dates shown below notices were served upon you requiring you to undertake work in order to remedy unsatisfactory circumstances. Because you did not comply with the Notice(s)*, the Council arranged for the work to be carried out in default once it/they* had expired. The cost of the work totals £XXXX.XX excluding interest. This is now a debt which you owe the Council and one which comprises a local land charge attached to the property.

Date of Notice	Legislation	Date of Work	Amount

Please note that, should you fail to settle these outstanding debts, or contact the Council within 28 days to discuss this matter, the Council may serve on you a Notice under Section 103 (1) of the Law of Property Act 1925 which would advise you of its intention to sell the above property or some part of such property to service these debts.

Please also note that the Council will exercise its right to charge interest at a rate of not more than 2% above the current Bank of England base rate, on any sums that are owed to it. For any works where a Section 81a Notice applies, interest will run from the date of service of such Notice; in all other cases, interest will run from the date of service of the aforementioned Section 103 (1) Notice should it be necessary to serve such Notice.

Please be advised that you should contact me directly, as the Council's Finance Department will not take payment without my authorisation.

This letter has been sent to all those who have, or appear to have, an interest in the above property.

Yours sincerely,

EXAMPLE RECORD OF SERVICE OF NOTICE THE PREVENTION OF DAMAGE BY PESTS ACT 1949 / BUILDING ACT 1984

PROPERTY: ('the Property')

Signed

I, confirm that I have given/served a notice in respect of the Property under the Prevention of Damage by Pests Act 1949 / Building Act 1984 and certify that:

a) Property unoccupied – registered / unregistered title DELETE AS REQUIRED

The Property was as at the date of giving/service of the said notice, unoccupied and the notice was served by addressing it to the owner or occupier of the Property and affixing it, or a copy of it, to some conspicuous part of the Property and a notice was also given/served by [detail also any other method of service].

b) Property occupied - registered title DELETE AS REQUIRED

The property was as at the date of giving/service of the said notice, occupied and I made reasonable inquiry to ascertain the name and address of the person to or on whom the notice should be given or served (including a search at the Land Registry which revealed that the Property is registered) and the notice was given/served by [detail also any other method of service].

c) Property occupied – unregistered title DELETE AS REQUIRED

The property was at the date of giving/service of the said notice occupied and I made reasonable inquiry to ascertain the name and address of the person to or on whom the notice should be given or served (including a search at the Land Registry which revealed that the Property was unregistered) and the notice was given/served by: INSERT NAME

Designation			
Date			
Notice Ref. No.	Type of Notice		
Date of Notice	SRU / PRU No.		

Appendix 3 - s81A Environmental Protection Act 1990 Sample Notice

Notice No: «refno»

ROSSENDALE BOROUGH COUNCIL

ENVIRONMENTAL PROTECTION ACT 1990, SECTION 81A

To:	«nadname»
	«nadaddr2»
	«nadaddr3»
	«nadaddr5»

On <<date>> the Council served on you a Notice under Section 80 of the Environmental Protection Act 1990 ('the Act') requiring the execution of certain works and the taking of such other steps in relation to the above property to abate the nuisance or prohibit or restrict its occurrence or recurrence arising from the defective state of such property.

You failed to comply with such Notice and the Council, in default, carried out such works and took such steps as aforesaid at a total cost to the Council of (£). This is the sum recoverable by the Council pursuant to Section 81(4) of the Act in respect of the above Notice and this Notice is given pursuant to Section 81A of the Act.

I am required by Subsection 81A(2) of the Act to advise you that, pursuant to Subsection 81A(1) thereof, where any expenses are recoverable under Section 81(4) of the Act from a person who is the owner of the premises there mentioned and the local authority serves a Notice on him under Section 81A of the Act (pursuant to which this Notice is given):-

- (a) the expenses shall carry interest, at such reasonable rate as the local authority may determine, from the date of service of the Notice until the whole amount is paid, and
- (b) subject to the provision of Section 81A of the Act, the expenses and accrued interest shall be a charge on the premises.

The rate of interest payable is determined by the Council as referred to in (a) above and varies from time to time.

I am further required to advise you of the provisions of Subsections 81A(4) to (6) of the Act which are as follows:

- (4) Subject to any Order under Subsection (7)(b) or (c) below, the amount of any expenses specified in a Notice under this Section and the accrued interest shall be a charge on the premises:
 - (a) as from the end of the period of 21 days beginning with the date of service of the Notice, or
 - (b) where an appeal is brought under Subsection (6) below, as from the final determination of the appeal, until the expenses and interest are recovered.
- (5) for the purposes of Subsection (4) above, the withdrawal of an appeal has the same effect as a final determination of the appeal.
- (6) a person served with a Notice of copy of a Notice under this Section may appeal against the Notice to the County Court within a period of 21 days beginning with the date of service.

If you are in any doubt as to the effect of this Notice, you should take legal advice.

Dated:			
Signed:			
Mr Stuart Sugar			



BUSINESS DIRECTORATE

<<Department>>
Council Offices, Futures Park, Newchurch Road, Bacup,
OL13 0BB

For further help, please contact:

Name:

Telephone: 01706 Minicom: 01706 252277

Email:

Our reference:

Date:

Dear XX,

NOTICE UNDER SECTION 103 (1) OF THE LAW OF PROPERTY ACT 1925 Re:

On the XX/XX/XXXX, the Council served on you a Notice under Section 80 of the Environmental Protection Act 1990 ("the Act") requiring you to carry out certain works to the above property. You failed to comply with such Notice and the Council, in default, carried out such works at a total cost to the Council of £ XXXX.

This is now a debt that is due to Rossendale Borough Council as well as a Local Land Charge attaching to the above property. Also, interest is now accruing on such amount at the current statutory rate.

On the date the Council gave you Notice under Section 81A of the Act and the period of 21 days referred to in Subsections 81A (4) (a) and (6) having elapsed and no appeal against that Notice having been made pursuant to the said Subsection 81A (6) then by virtue of the provisions of Subsection 81A (4) of the Act:-

- 1. The expenses incurred by the Council as referred to above and the accrued interest have become a charge on the above property; and
- 2. The Council has for the purpose of enforcing the said charge by virtue of Subsection 81A (8) of the Act all the same powers and remedies under the Law of Property Act 1925, and otherwise, as if it were a mortgagee by deed having powers of sale and lease, of accepting surrenders of leases and of appointing a receiver.

The Council now requires you to pay to it immediately the above amount with the interest owing in respect of it on the date of payment. If you do not pay the amounts due, the Council, without further Notice, can:-

- 1. If the debt is not paid within 28 days from the service of this Notice commence proceedings in the County Court for the recovery of the debt; or
- 2. If the debt is not paid within three months from the date of service of this Notice sell the above property or some part of such property.

Please note that the Council is legally obliged to give you Notice pursuant to Section 103 (1) of the Law of Property Act 1925 if it chooses the option in point (2) above and this letter constitutes such a Notice.

I would remind you that once again you are required to settle the amounts due to the Local Authority and it is important that you contact me within 28 days to advise me how you intend to proceed.

Please note that you must only attempt to settle this matter after contacting me, as my Finance Department will not take payment without my authorisation and you may incur extra charges through the delay.

If you are in doubt as to the effect of this Notice you should take legal advice.

Yours sincerely,

Appendix 5 Section 103 Notice when all other Notices Served



BUSINESS DIRECTORATE

<<Department>>
Council Offices, Futures Park, Newchurch Road, Bacup,
OL13 OBB

For further help, please contact:

Name:

Telephone: 01706 Minicom: 01706 252277

Email:

Our reference:

Date:

Dear XXX,

NOTICE UNDER SECTION 103 (1) OF THE LAW OF PROPERTY ACT 1925

Re:

On the XX/XX/XXXX, the Council served on you Notice under the provision of [NAME ACT] requiring you to carry out certain works to the above property. You failed to comply with such Notice and the Council, in default, carried out such works at a total cost to the Council of £XXXX.

<<List each individual notice>>

On the XX/XX/XXXX, the Council served on you Notice under the provision of [NAME ACT] requiring you to carry out certain works to the above property. You failed to comply with such Notice and the Council, in default, carried out such works at a total cost to the Council of £XXXX.

On the XX/XX/XXXX, the Council served on you Notice under the provision of [NAME ACT] requiring you to carry out certain works to the above property. You failed to comply with such Notice and the Council, in default, carried out such works at a total cost to the Council of £XXXX.

On the XX/XX/XXXX, the Council served on you Notice under the provision of [NAME ACT] requiring you to carry out certain works to the above property. You failed to comply with such Notice and the Council, in default, carried out such works at a total cost to the Council of £XXXX.

On the XX/XX/XXXX, the Council served on you Notice under the provision of [NAME ACT] requiring you to carry out certain works to the above property. You failed to comply with such Notice and the Council, in default, carried out such works at a total cost to the Council of £XXXX.

These are now debts that are due to Rossendale Borough Council as well as Local Land Charges attaching to the above property. Also, interest is now accruing on such amount at the current statutory rate.

By virtue of the above statue(s), the debts due to the Council have, from the date of completion of the said works, taken effect, until recovered, as charges on the above property and the Council has all the same powers and remedies under the Law of Property Act 1925 and otherwise, as if it was a mortgagee by deed having powers of sale and lease, of accepting surrenders of leases and of appointing a receiver.

Appendix 5 Section 103 Notice when all other Notices Served

The Council now requires you to pay to it immediately the above amount with the interest owing in respect of it on the date of payment. If you do not pay the amounts due, the Council, without further Notice, can:-

- 1. If the debt is not paid within 28 days from the service of this Notice commence proceedings in the County Court for the recovery of the debt; or
- 2. If the debt is not paid within three months from the date of service of this Notice sell the above property or some part of such property.

Please note that the Council is legally obliged to give you Notice pursuant to Section 103 (1) of the Law of Property Act 1925 if it chooses the option in point (2) above and this letter constitutes such a Notice.

I would remind you that once again you are required to settle the amounts due to the Local Authority and it is important that you contact me within 28 days to advise me how you intend to proceed.

Please note that you must only attempt to settle this matter after contacting me, as my Finance Department will not take payment without my authorisation and you may incur extra charges through the delay.

If you are in doubt as to the effect of this Notice you should take legal advice.

Yours sincerely,



BUSINESS DIRECTORATE

<<Department>>
Council Offices, Futures Park, Newchurch Road, Bacup,
OL13 0BB

For further help, please contact:

Name:

Telephone: 01706 Minicom: 01706 252277

Email: Our reference:

Date:

Dear XXX,

Re: Address:

The Council has, pursuant to its statutory powers, carried out certain works to the above premises, the cost of which have been registered in Part 2 of the Register of Local Land Charges as financial charges. Notice(s) detailing the works and the costs have been served, together with Notices(s) of demand for payment of the amount(s) due to the Council in order to satisfy the requirements of Section 103(1) of the Law of Property Act 1925.

The Statutes pursuant to which the Council has carried out such works confer, in favour of the Council, a charge on the premises and all estates and interests therein and the Council has, for the purposes of enforcing the charge all the same powers and remedies under the Law of Property Act 1925, and otherwise as if it were a mortgagee by deed having powers of sale, of lease, of accepting surrenders of leases and of appointing a receiver.

The Council proposes, pursuant to its statutory powers, to register the said financial charges against the title to the above premises. Once the charge(s) have been registered, the Council may then sell the premises and apply the proceeds of sale towards the discharge of the debt. If, however, the debt is greater than the proceeds of sale received on any sale, the Council has the right to pursue you for any balance owing, if necessary by legal action.

I should therefore be grateful if you would make arrangements through me for the discharge of the outstanding debt or, if you are not prepared to do this, then please forward to me all the title deeds in you possession relating to the above property. If they are not in your possession, please let me know and advise me of the whereabouts of the deeds.

Please note, if I hear nothing from you within 21 days from the date hereof, I will proceed to register the Council's charges against your title to the above premises.

If you wish to discuss this matter, pleases do not hesitate to contact me on the above details.

Yours sincerely,

Appendix 6 – Sample Letter to interested parties



BUSINESS DIRECTORATE

<<Department>>
Council Offices, Futures Park, Newchurch Road, Bacup,
OL13 0BB

For further help, please contact:

Name:

Telephone: 01706 Minicom: 01706 252277

Email:

Our reference:

Date:

Dear XX, Address: Your Charge Dated:

I am aware from the contents of the registers of title number [], which relates to the above property, that you have a charge registered against the same. That charge is dated [] and the owner of the property is shown to be [].

The Council has, pursuant to its statutory powers, carried out certain works to the above property, the costs of which have been registered in Part 2 of the Register of Local Land Charges as financial charges.

The Statutes pursuant to which the Council has carried out such works confer, in favour of the Council, a charge on the premises and all estates and interests therein and the Council has, for the purposes of enforcing the charge all the same powers and remedies under the Law of Property Act 1925, and otherwise as if it were a mortgagee by deed having powers of sale, of lease, of accepting surrenders of leases and of appointing a receiver. The said statutes confer a priority on the Council's charge over your own charge and therefore, when registered, the Council will be the first chargee.

The Council proposes, pursuant to its statutory powers, to register the financial charges against the title to the above premises. Thereafter, the Council may exercise its power of sale over the property and apply the proceeds of sale towards the discharge of the debt due to the Council.

If you wish to repay the outstanding debt due to the Council, I will provide details of the outstanding amounts. Otherwise, I should be grateful if you would forward to me all the title deeds and documents in your possession relating to the property.

If you do not have the deeds and documents in you possession, please let me know. I should be grateful if you were then able to let me know their whereabouts.

If you wish to discuss this matter, pleases do not hesitate to contact me on the above details.

Yours faithfully,

Appendix 7 – Example Resolution of Charge

PROPERTY:

BUILDING ACT 1984

ROSSENDALE BOROUGH COUNCIL

- 1. Whereas Rossendale Borough Council ('the Council') is a 'local authority' within the meaning of Section 126 of the Building Act 1984 ('the Act').
- 2. **And whereas** a local authority, if it considers that any premises are in such a state as to be prejudicial to health or a nuisance, and unreasonable delay in remedying that defective state would be occasioned by following the procedure prescribed by Section 80 of the Environmental Protection Act 1990 may, under Section 76 of the Act, serve Notice on the owner or occupier of those premises stating that the local authority intend to remedy the defective state and may do so, subject to there being no counter notice served by the owner or occupier.
- 3. And whereas a notice under Section 76 of the Act is to be served in accordance with Section 94 of the Act.
- 4. **And whereas** the expense of such works may, by virtue of Subsection (2) of Section 76 of the Act, be recovered from the owner or occupier of the premises and such expense plus interest thereon, by virtue of Section 107 of the Act, from the date of completion of the works shall, until recovered, be a charge upon the premises and all estates and interests in them and gives a local authority for the purposes of enforcing such a charge, all the powers and remedies under the Law of Property Act 1925 and otherwise as if they were mortgagees by deed.
- 5. **And whereas** such charge is by virtue of Section 1(1)(a) of the Local Land Charges Act 1975, registerable as a Local Land Charge.
- 6. **And whereas**, under Section 7 of the Local Land Charges Act 1975, a local land charge falling within the aforementioned Section 1(1)(a) takes affect as if it had been created by deed of charge, by way of legal mortgage within the meaning of the Law of Property Act 1925, but without prejudice to the priority of the charge.
- 7. **And whereas** Section 101 of the Law of Property Act 1925 provides that a mortgagee by deed shall have inter alia the power of sale of the property so mortgaged.
- 8. And whereas pursuant to a notice dated [] the Council gave Notice to the owner or owners of the property known as [] ('the premises') under Section 76 of the Act by serving the Notice in accordance with Section 94 of the Act by

ALTERNATIVE 1 addressing the Notice to [] and delivering it to that person and/or

<u>ALTERNATIVE 2</u> addressing the Notice to [] and leaving it or sending it in a prepaid letter addressed to that person at [] being the usual or last known residence of that person <u>and/or</u>

<u>ALTERNATIVE 3</u> addressing the Notice to the Secretary or Clerk of [Limited] at [], being the registered or principal office of [Limited] and delivering it or sending it in a prepaid letter to that address <u>and/or</u>

<u>ALTERNATIVE 4</u> (it not being practicable, after reasonable inquiry having been made, to ascertain the name and address of the person to or on whom the Notice should be given or served) addressing the Notice to the owner or owners of the premises (naming the premises) and either delivering it to some person on the premises or (there being no person on the premises to whom it can be delivered) affixing the Notice or a copy of it to some conspicuous part of the premises.

<u>ALTERNATIVE 5</u> (the premises at the date such Notice is given or served being unoccupied) addressing the Notice to the owner or owners of the premises (naming the premises) and affixing the Notice or a copy of it to some conspicuous part of the premises stating that the Council intended to remedy the defective state of the premises after the expiration of [] days from the date of service of the Notice by carrying out the following works: [].

- 9. **And whereas** there being no counter notice served upon the Council within the period prescribed by Section 76(3) of the Act, the Council executed the said works between the [date] and the [date] at a cost to the Council of £[].
- 10. **And whereas** on the [date] the Council registered the cost of the works in Part 11 of Rossendale Council's Local Land Charges Register as a specific financial charge against the premises, such charge attracting interest at such a rate from time to time applying.
- 11. And whereas pursuant to a Notice dated [] the Council gave Notice to the owner or owners of the property known as [] ('the premises') under Section 76 of the Act by serving the Notice in accordance with Section 94 of the Act by

ALTERNATIVE 1 Addressing the Notice to [] and delivering it to that person and/or

<u>ALTERNATIVE 2</u> Addressing the Notice to [] and leaving it or sending it in a prepaid letter addressed to that person at [] being the usual or last known residence of that person and/or

<u>ALTERNATIVE 3</u> addressing the Notice to the Secretary or Clerk of [Limited] at [], being the registered or principal office of [Limited] and delivering it or sending it in a prepaid letter to that address and/or

<u>ALTERNATIVE 4</u> (it not being practicable, after reasonable inquiry having been made, to ascertain the name and address of the person to or on whom the Notice should be given or served) addressing the Notice to the owner or owners of the premises (naming the premises) and either delivering it to some person on the premises or (there being no person on the premises to whom it can be delivered) affixing the Notice or a copy of it to some conspicuous part of the premises.

<u>ALTERNATIVE 5</u> (the premises at the date such Notice is given or served being unoccupied) addressing the Notice to the owner or owners of the premises (naming the premises) and affixing the Notice or a copy of it to some conspicuous part of the premises stating that the Council intended to remedy the defective state of the premises after the expiration of [] days from the date of service of the Notice by carrying out the following works: [].

- 12. And whereas there being no counter notice served upon the Council within the period prescribed by Section 76(3) of the Act, the Council executed the said works between the [date] and the [date] at a cost to the Council of £.
- 13. And whereas on the [date] the Council registered the cost of the works in Part 11 of Rossendale Council's Local Land Charges Register as a specific financial charge against the premises, such charge attracting interest at such a rate from time to time applying.
- 14. And whereas the said monies continue to remain outstanding.

BOROUGH OF ROSSENDALE being now desirous of exercising their aforementioned power of sale over the premises to recover the costs they have incurred in relation thereto,

HEREBY RESOLVES

- 1(i) To make application to the District Land Registry for Lancashire and Greater Manchester under the Land Registration Act 1925 to register their charge against all titles subsisting in the premises
- 1(ii) To claim, affirm and avow in said application the binding nature of the Council's charge on all estates and interests in the premises and the priority of the Council's charge over all existing and future charges affecting each and every title in the premises (whether or not they be registered), such claims, affirmations and avowals being supported by the decisions in Bristol Corporation v Virgin [1928] 2.K.B.622 and Paddington Borough Council v Finucane [1928] Ch567.
- 1(iii) To affix the Council seal hereto.

HEREBY CERTIFIES TO HM LAND REGISTRY

- 2(i) As recited in paragraph 4 of this resolution, the Act contains provisions conferring a charge on the premises and on all estates and interests therein.
- 2(ii) As further recited in paragraph 4 of this resolution, the Act confers on the Council all the powers and remedies under the Law of Property Act 1925 and otherwise as if it is a mortgage by deed.
- 2(iii) The Council has followed the procedure in the Act as to service of Notices and the carrying out of the works.
- 2(iv) The charge(s) for which an application for registration is made pursuant to 1(i) above affect(s) the whole of the property known as [] and registered under title number(s) [].
- 2(v) As recited in paragraphs 10 and 13 of this resolution, the charge(s) for which an application for registration is made pursuant to 1(i) hereof was/were registered in Part 2 of the Rossendale Council Register of Local Land Charges on the [] and the []

Dated:

The COMMON SEAL of the Borough of Rossendale was hereunto affixed in pursuance of an Order of the Council of the said Borough

Authorised Signatory:

*******OBTAIN FROM LAND REGISTRY*****

Sample Application for Registration (Form AP1)

*******OBTAIN FROM LAND REGISTRY*****

AP1

Application to

HM Land Registry

change the register

If you need more room than is provided for in a panel, use continuation sheet CS and staple to this form.

1. Administrative area(s) and postcode (if known) INSERT RELEVANT DETAILS	
2. Title Number(s) INSERT ALL TITLE NUMBERS RELEVANT	Deposit No. (if any)
3. Application, Priority and Fees in priority order Nature of applications Value £ Not exceeding £100,000 1. Registration of charge Fees paid 2. £40 3.	FOR OFFICIAL USE ONLY Record of fees paid
4. 5. 6. TOTAL £40 Accompanying cheques or postal orders should be made payable to 'HM Land Registry'	Particulars of under/over payments
4. Documents lodged with this form 1. Sealed Resolution(s) 2. Cert. Copy Sealed Resolution(s) 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15.	
5. Application lodged by	FOR OFFICIAL USE ONLY
Land Registry Key No. COMPLETE REMAINDER OF FORM AS APPROPRIATE Name Address/DX No Referee	Codes Dealing Status
Telephone No. Fax No.	
6. Where the Registry is to deal with someone else The Registry will send any land/charge certificate to the person named in panel 5 above and will, if necessary, contact that Person. You can change this by placing 'X' against one or more of the statements and completing the details below. Please send any land/charge certificate to the person shown below Please raise any requisitions or queries with the person shown below Please issue to the person shown below the following documents If you have placed 'X' against any statements above, complete the following name and address details Name: Address/DX No.	
Reference Telephone No.	

Appendix 9 – Land Registry Example SC Form

Appendix 10 – Letter to Land Registry in respect of unregistered property

Rossendalealive

The Chief Land Registrar Lytham District Land Registry Lytham St Annes Lancashire FY8 5AB

BUSINESS DIRECTORATE

<<Department>>

Council Offices, Futures Park, Newchurch Road, Bacup, OL13 0BB

For further help, please contact:

Name:

Telephone: 01706 Minicom: 01706 252277

Email:

Our reference:

Date:

Dear Sir,

Property:

I refer to the above property, which has today been transferred by the Council under the Derelict Properties Sales Procedure.

In accordance with the procedure agreed with you I, on behalf of the Council and being duly authorised to DO so, hereby certify that:-

- 1. as recited in clause [] of the Contract for Sale dated [] the Act (as referred to therein) contains provision conferring a charge on the Premises and on all estates and interests therein.
- 2. as further recited in clause [] of the said Contract for Sale the Act confers on the Council all the powers and remedies under the Law of Property Act 1925 and otherwise as if they were mortgagee by deed.
- 3. the Council has followed the procedure in the Act as to service of notices and the carrying out of the works.
- 4. the charge(s) pursuant to which the Council has disposed of the property affect(s) the whole of the property known as [] today disposed of by the Council.
- 5. as recited in clause [] of the Contract for Sale the charge(s) pursuant to which the Council has disposed of the property was/were registered in part 2 of the Register of Local Land Charges on the [].

Yours faithfully,

Appendix 11 – Letter to owner regarding charge



BUSINESS DIRECTORATE

<<Department>>
Council Offices, Futures Park, Newchurch Road, Bacup,
OL13 OBB

For further help, please contact:

Name:

Telephone: 01706 Minicom: 01706 252277

Email:

Our reference:

Date:

Dear,

Re: <<Address>>

I refer to the above and my letter dated XX/XX/XXXX, requesting the Title Deeds and advising you of the Council's statutory powers in relation to the charges outstanding in respect of the above property.

In that letter, I advised you that the Council has the power to sell the above property, for the purpose of enforcing the charge and to deduct from the proceeds of sale the debts due to the Council.

The Council's charge has now been registered at HM Land Registry and it is now the Council's intention to market the property with a view to a sale thereof.

Yours sincerely,

Appendix 12 – Example Resolution Suggested Special Conditions

Building Act 1984 (Section 76) Charge – Unregistered Property

1. The Property

1.1 All that Property situate at and known as [] in the Borough of Rossendale shown for identification purposes only edged on the attached plan.

2. Recitals

- 2.1 **WHEREAS** the Vendor is a 'local authority' within the meaning of S.126 of the Building Act 1984 ('the Act') and the steps taken by the Vendor as referred to in these recitals were taken in their capacity as a local authority within the meaning of the Act.
- 2.2 **AND WHEREAS** a local authority, if it considers that any premises are in such a state as to be prejudicial to health or a nuisance, and unreasonable delay in remedying that defective state would be occasioned by following the procedure prescribed by S.80 of the Environmental Protection Act 1980, may under S.76 of the Act, serve notice on the owner or occupier of those premises stating that the local authority intend to remedy the defective state and may do so, subject to there being no counter notice served by the owner or occupier.
- 2.3 **AND WHEREAS** a notice under Section 76 of the Act is to be served in accordance with Section 94 of the Act.
- 2.4 **AND WHEREAS** the expense of such works may, by virtue of Subsection (2) of S.76 of the Act, be recovered from the owner or occupier of the premises and such expense plus interest thereon, by virtue of S.107 of the Act, from the date of completion of the works shall, until recovered, be a charge upon the premises and all estates in them and gives a local authority, for the purpose of enforcing such a charge, all the powers and remedies under the Law of Property Act 1925 and otherwise as if they were mortgagees by deed.
- 2.5 **AND WHEREAS** such charge is, by virtue of S.1(1) (a) of the Local Land Charges Act 1975, registerable as a local land charge.
- 2.6 **AND WHEREAS** under S.7 of the Local Land Charges Act 1975 a local land charge falling within the aforementioned S.1 (1) (a) takes effect as if it had been created by deed of charge by way of legal mortgage within the meaning of the Law of Property Act 1925, but without prejudice to the priority of the charge.
- 2.7 **AND WHEREAS** S.101 of the Law of Property Act 1925 provides that a mortgagee by deed shall have inter alia the power of sale of the property so mortgaged.
- 2.8 **AND WHEREAS** pursuant to a notice dated [] the Vendor gave notice to the owner or owners of the Property (in these recitals described as 'the Premises') under Section 76 of the Act by serving the notice in accordance with Section 94 of the Act by

ALTERNATIVE 1 Addressing the notice to [] and delivering it to that person and/or

<u>ALTERNATIVE 2</u> Addressing the notice to [] and leaving it or sending it in a prepaid letter addressed to that person at [] being the usual or last known residence of that person <u>and/or</u>

<u>ALTERNATIVE 3</u> Addressing the notice to the Secretary or Clerk of [Limited] at [] being the registered or principal office of [Limited] and delivering it or sending it in a prepaid letter to that address and/or

<u>ALTERNATIVE 4</u> (It not being practicable after reasonable inquiry having been made to ascertain the name and address of the person to or on whom the notice should be given or served) addressing the notice to the owner or owners of the Premises (naming the Premises) and either delivering it to some person on the Premises or (there being no person on the Premises to whom it can be delivered) affixing the notice or a copy of it to some conspicuous part of the Premises.

<u>ALTERNATIVE 5</u> (the Premises at the date such notice is given or served being unoccupied) addressing the notice to the owner or owners of the Premises (naming the Premises) and affixing the notice or a copy of it to some conspicuous part of the Premises stating that the Vendor intended to remedy the defective state of the Premises after the expiration of [9] days from the date of service of the notice by carrying out the following works:

- 2.9 **AND WHEREAS** there being no counter notice served upon the Vendor within the period prescribed by S.76(3) of the Act, the Vendor executed the said works between the [] and the [] at a cost to the Vendor of [£].
- 2.10 **AND WHEREAS** on the [date] the Vendor registered the cost of the works in Part 11 of the Rossendale Council Local Land Charges Register as a specific financial charge against the Premises, such charge attracting interest at such a rate from time to time applying.
- 2.11 **AND WHEREAS** the expenses incurred by the Vendor as referred to in Recital 2.9 have become a charge on the premises by virtue of Section 107 of the Act as more particularly referred to in Recital 2.4 and the said expenses continue to remain outstanding.

3. Title

- 3.1 The title to the property is unregistered and the Vendor does not have in its possession any of the title deeds or documents relating to the Property and the Purchaser shall raise no requisition thereon or objections thereto and shall not be entitled to postpone or delay completion as a result thereof.
- 3.2 The Vendor cannot produce an up-to-date receipt in respect of any yearly rent (if any) payable on the Property nor any other evidence that any such rent has been paid to date (and in which respect the Vendor shall not be liable for any arrears of such rent up to the date of Actual Completion and which liability the Purchaser will assume on Actual Completion) and the Purchaser shall raise no requisition nor be entitled to delay or postpone completion as a result thereof.
- 3.3 The Purchaser purchases with full knowledge of the fact that on first registration of the title to the Property at HM Land Registry the Chief Land Registrar will make an entry against such title on the following (or similar terms) and the Purchaser shall make no claim or demand against the Vendor in regard thereto:

"The Property is subject to such restrictive covenants and to such rent charges as may have been imposed thereon before [this will be the date of application for first registration] and are still subsisting and capable of taking effect".

4. Possession

4.1 Vacant possession of the Property will be given to the Purchaser on Actual Completion.

5. Covenants for Title

- The Vendor is selling all of the estates and interests in the Property as are bound by the Charge(s) arising under Section 107 of the Building Act 1984 as referred to Recital 2.11 of these Special Conditions but freed and discharged from the said Charge(s).
- 5.2 Sections 1 to 9 of the Law of Property (Miscellaneous Provisions) Act 1994 shall not apply to this Agreement and the Transfer of the Property to the Purchaser ('the Transfer') and the Transfer shall contain the following provisions:
 - 5.2.1 In consideration of £[naming the amount of the consideration] (receipt of which is acknowledged) the Vendor transfers the Property to the Purchaser .
 - 5.2.2 The parties agree and declare that the covenants by the Vendor implied by Sections 1 to 9 of the Law of Property (Miscellaneous Provisions) Act 1994 shall not apply to this transfer.

6. Matters affecting the Property

The property is sold subject to and (as the case may be) with the benefit of:-

- all rents rights exceptions and reservations and covenants and conditions provisions and agreements and declarations or otherwise as subsist and relate to the Property without any obligation or liability on the part of the Vendor (whether as a result of its inability to produce the title deeds or documents to the property or otherwise) to define or provide details of the same.
- all Local Land Charges whether registered or not before or after the date hereof and all matters capable of being registered as such.
- all notices served and orders demands proposals or requirements made by any local or public authority whether before or after the date hereof.
- 6.4 all actual or proposed orders directions notices charges restrictions conditions agreements or other matters arising under the town and country planning legislation and environmental law.
- all covenants exceptions and reservations of whatever nature all rights of way water light air and other rights easements quasi easements liabilities and public or private rights whatever and to any liability to repair or contribute to the repair of sewers drains fences or other like matters as the Purchaser shall have notice of or shall be apparent on inspection of the Property.

7. Indemnity covenant by the Purchaser

7.1 The transfer will contain a covenant by the Purchaser with the Vendor that the Purchaser and its successors in title will henceforth observe and perform all such matters subject to which the property

is expressed to be sold in Clause 6.1 of these Special Conditions the breach of which would or could expose the Vendor to liability (either direct or indirect) and will contain an indemnity by the Purchaser in favour of the Vendor against all actions proceedings costs claims and demands which may be made against the Vendor in connection with the breach non-performance or no observance of the same.

8. Subsales

8.1 The Vendor will not be required to execute a Transfer of the property to any person other than the Purchaser and in one parcel and by one transfer.

9. General Conditions

- 9.1 'The General Conditions' means the Standard Conditions of Sale (Fourth Edition)
- 9.2 The General Conditions are deemed to be incorporated herein so far as the same are applicable to a sale by private treaty and are not varied by or inconsistent with these Special Conditions and the 'contract rate' will be four per cent (4%) per annum above the Base Rate for the time being of the Cooperative Bank plc.
- 9.3 The General Conditions are amended as follows:
 - 9.3.1 Standard Conditions 2.2.5 and 2.2.6 shall not apply and the Deposit shall be paid to the Vendor's Solicitor as agent for the Vendor.
 - 9.3.2 In Standard Condition 3.1.2 subclause (c) the words "and could not reasonably" shall be deleted
 - 9.3.3 Standard Condition 3.4 shall not apply
 - 9.3.4 Standard Condition 4.6.2 shall not apply
 - 9.3.5 Standard Condition 5.1.1 shall not apply and the buyer assumes the risk when the contract is made
 - 9.3.6 Standard Condition 5.1.2 shall not apply and the buyer must buy the Property in whatever physical state it is in at completion.
 - 9.3.7 Standard Conditions 5.2.2 (b), 5.2.2 (e) and 5.2.2 (g) shall not apply
 - 9.3.8 Standard Condition 5.2.3 shall not apply
 - 9.3.9 Standard Condition 5.2.7 shall not apply
 - 9.3.10 In Standard Condition 5.2.2 (f) the words "nor change its use and is to comply with all statutory obligations relating to the property and indemnify the seller against all liability arising as a result of any breach of such obligation" shall be added at the end
 - 9.3.11 In Standard Condition 7.1.1 the words "or in negotiation leading to it" and "or was" shall be deleted
 - 9.3.12 Standard Condition 7.3.2 shall be deleted and the following substituted: Compensation is calculated at the contract rate on all sums payable under the contract (other than pursuant to Standard Condition 6.3) for the period between the completion date and actual completion.

10. No merger

10.1 The contract will not merge in the Transfer on completion but will continue in full force and effect in relation to any matters outstanding at completion.

11. Condition of the Property

11. The Purchaser is deemed to have made a full and complete inspection of the Property and to have full knowledge and notice of the state of repair and condition thereof in all respects and the Purchaser shall make no claim or demand whatsoever against the Vendor in respect of any matter or thing arising out of or in connection with the state of repair and condition of the Property or any part thereof.

12. Transfer to take effect subject to General and Special Conditions

12.1 The transfer is to take effect as if the disposition is expressly made subject to all matters to which the Property is sold subject under the General Conditions and Special Conditions of sale.

13. Completion Date

13.1 The sale will be completed at the office of the Vendor's Solicitor before 2.30pm on []

14. Restriction on Assignment

14.1 This Agreement is personal to the Purchaser and shall not be capable of assignment.

Appendix 13 – Certificate by Council for Disposal



BUSINESS DIRECTORATE

<<Department>>
Council Offices, Futures Park, Newchurch Road, Bacup,
OL13 0BB

For further help, please contact:

Name:

Telephone: 01706 Minicom: 01706 252277

Email:

Our reference:

Date:

Dear,

Re: <<Address>>

I refer to the above property, which has today been transferred by the Council under the Derelict Properties Sales Procedure.

In accordance with the procedure agreed with you, I on behalf of the Council and being duly authorised to do so, hereby certify that:-

- 1. as recited in clause [] of the Contract for Sale dated [] the Act (as referred to therein) contains provision conferring a charge on the Premises and on all estates and interests therein.
- 2. as further recited in clause [] of the said Contract for Sale the Act confers on the Council all the powers and remedies under the Law of Property Act 1925 and otherwise as if they were mortgagee by deed.
- 3. the Council has followed the procedure in the Act as to service of notices and the carrying out of the works.
- 4. the charge(s) pursuant to which the Council has disposed of the property affect(s) the whole of the property known as [] today disposed of by the Council.
- 5. as recited in clause [] of the Contract for Sale the charge(s) pursuant to which the Council has disposed of the property was/were registered in part 2 of the Register of Local Land Charges on the [].

Yours sincerely,

Rossendale Borough Council Stubbylee Hall Stubbylee Lane Bacup OL13 ODE

Telephone: 01706 217777

Email: general enquiries @rossendalebc.gov.uk

