

# VICTORIAN ORCHARD, IDE PROPOSED OPTION AGREEMENT

**DRAFT HEADS OF TERMS 4th VERSION**

**SUBJECT TO CONTRACT 14 JANUARY 2019**

**THE PARTIES:**

* The Landowner:

The Church Commissioners for England c/o the Landowner’s Agents

* The Purchaser: Ide Parish Council

# The Parties’ Professional Advisors:

* The Landowner’s Agents:

Strutt & Parker, 24 Southernhay West, Exeter, Devon, EX1 1PR (FAO: Victoria Jarrad MRICS).

Telephone: 01392 215 631

e-mail: victoria.jarrad@struttandparker.com

* The Landowner’s Solicitors:

Farrer & Co, 66 Lincoln’s Inn Fields, London, EC2A 3LH

* The Purchaser’s Solicitors:

Foot Anstey, Senate Court, Southernhay Gardens, Exeter, EX1 1NT

# Proposed Heads of Terms for an Option Agreement:

* **The Property** is as edged red on the attached plan, subject to existing rights and reservations.
* **The Option Period** shall be for a period of up to three years from the date of signing the Option Agreement.
* **The Option Fee** is £1.00, which shall be non-returnable, although deductible from the Offer Price if and when the Option Agreement is exercised.
* **The Agreed Purchase Price** is £17,000 per acre excluding VAT.
* **Occupation and Use** Throughout the Option Period, the Property shall be occupied under an annual licence agreement, the use of which is restricted to that of a private orchard only.
* **Fees** The Purchaser is to cover the Landowner’s legal and professional fees incurred in connection with this Option Agreement
* **Landowner’s Obligations** The Landowner will agree not to grant any tenancies or other property interests relating to the Property that are not terminable within one month’s notice throughout the Option Period; and for the avoidance of doubt this provision applies to the existing licence to occupy the Property held by Andrew Bragg. The Landowner will agree to sell the land with vacant possession.
* **Option Exercise Notice** The purchaser may exercise the Option to Purchase at any time within the Option Period by serving an Option Exercise Notice to the Landowner. On serving such a Notice the Purchaser will pay a deposit of 10 percent of the purchase priceto the Landowner, with the balance to be paid on Completion. Completion will be within six weeks of serving the Notice.
* **Option Exercise Process** If the Option has not been exercisedwithin three months of the expiration of the Option Period (ie 33 calendar months after signing the Option Agreement), the Purchaser shall commission an independent Market Valuation of the Property to review the Purchase Price. The Market Value is to take into account any restrictive covenants the Landowner may wish to impose at that time and is to be provided by a Chartered Surveyor with such special knowledge as necessary. In the event that the deemed Market Value is not accepted by both parties, the Market Valuation of the Property shall revert to the RICS for determination. Once the reviewed Purchase Price has been agreed, the Purchaser shall have 28 days to serve an Option Exercise Notice with a 10 percent deposit payable at that time, the balance of the Purchase Price to be paid on Completion, which shall be within six weeks of service of the Option Exercise Notice.
* **Alienation** The Option Agreement shall be personal to the Purchaser and the Purchaser may not assign any part of his interest under the Option Agreement without the absolute written agreement of the Landowner.

Attached: plan of the Property

4th *draft agreed 14 January 2019 between Victoria Jarrad (Strutt & Parker) and Nick Bradley (Ide Parish Council). This draft to be sent by NCAB to Foot Anstey for preparation of draft Agreement.*