

BATH & NORTH EAST SOMERSET COUNCIL

and

THE ABBEY PAROCHIAL CHURCH COUNCIL

HEADS OF TERMS

Abbey Chambers and adjoining land
fronting York Street and the Vaults

SUBJECT TO CONTRACT

27 March 2018

1.	SELLER	BATH & NORTH EAST SOMERSET COUNCIL (Council)
2.	BUYER	THE ABBEY PAROCHIAL CHURCH COUNCIL (Abbey)
3.	DESCRIPTION OF PROPERTY	Abbey Chambers and adjoining land fronting York Street and the Vaults all shown edged red on the attached plan.
4.	PURCHASE PRICE	£2,500,000.00
5.	TENURE	The freehold interest subject to and with the benefit of the lease of the Basement and Vaults dated 9 November 2016 and the lease of the third floor dated 16 November 2017 both made between the Council and the Abbey and any other short-term lease or licence which may be granted by B&NES to the Abbey but otherwise with vacant possession.
6.	SELLER'S SOLICITOR	TBA
7.	BUYER'S SOLICITOR	Beverley Pike Clarke Willmott LLP 1 Georges Square, Bath Street, Bristol BS1 6BA Tel: 0117 305 6343 Email: beverley.pike@clarkewillmott.com
8.	CONTRACT	Contracts to be agreed by []
9.	COMPLETION	On completion of the Buyer's funding arrangements expected prior to [] .

10.	RESALE CONDITION	<p>An overage payment will be made by the Buyer to the Seller in the event of a sale of the Property during the period of 10 years from the completion of its purchase (“the Overage Period”) which generates a “profit” for the Buyer.</p> <p>The overage payment will be the greater of the sums calculated in accordance with paragraph A and B below:</p> <p>A. In the event that the Property is sold prior to the expiry of the Overage Period at a price which is greater than the aggregate of the Purchase Price and:</p> <ol style="list-style-type: none"> 1. the costs of repairs and improvements carried out by the Buyer; and 2. the costs incurred by the Buyer in acquiring the Property and the costs incurred by the Buyer in such sale (“the Base Price”) the Buyer will pay to the Seller the amount by which the proceeds of sale received by the Buyer exceed the Base Price up to a maximum of £500,000.00 (“the First Overage Payment”). <p>B. In the event that the Property is sold prior to the expiry of the Overage Period at a price which is greater than the aggregate of the Base Price and the First Overage Payment (“the Super Profit Base Price”) the Buyer will pay to the Seller the First Overage Payment and 16.666% of the amount by which the proceeds of sale received by the Buyer exceed the Super Profit Base Price (“the Super Profit Overage Payment”).</p> <p>The resale condition will be released by the Seller on the first sale of the Property during the Overage Period and the payment of either the First Overage Payment or the Super Profit Overage Payment which ever is due.</p>
11.	DEVELOPMENT OF UNBUILT ON PROPERTY	<p>On completion of the acquisition of the Property the Buyer will provide the Seller with a letter setting out its current proposals for the Property, including any unbuilt upon areas, which letter will reflect the Buyer’s charitable objectives, its vision for the Abbey and the <i>Footprint Project</i></p>
12.	REFUSE COMPACTOR	<p>On completion of the acquisition of the Property</p>

		<p>the Buyer and the Seller will enter into a separate agreement providing that for a period of ten (10) years from completion of the works to be carried out to the Property by the Buyer the Buyer will provide and install a refuse compactor and will permit the shared use of the compactor by the Seller and a reasonable number of other parties identified by the Seller up to a maximum volume of [] by the Seller or parties identified by the Seller on the basis of running costs being shared in proportion to its use. The compactor will be located on the Property or at an alternative site agreed by the Seller acting reasonably.</p>
13.	CONDITIONS	<p>The terms are subject to contract and completion of the Buyer's funding arrangements. The sale is also subject to the approval of Cabinet.</p>