

LAND OPTION AGREEMENT WITH NOVATION CLAUSE

THIS AGREEMENT is made on this [Date] by and between:

- (1) **[Landowner's Name]**, of [Landowner's Address] ("the Seller"); and
- (2) **[Buyer/Investor's Name]**, of [Buyer's Address] ("the Buyer").

WHEREAS:

A. The Seller is the registered proprietor of the land known as [Land Description] ("the Property"). B. The Buyer is interested in acquiring the option to purchase the Property under the terms set out in this Agreement. C. The Parties wish to provide for the potential novation of this Agreement to a third party under certain conditions. D. The Buyer intends to purchase multiple parcels of land for residential development purposes.

1. GRANT OF OPTION 1.1 The Seller grants the Buyer the exclusive option to purchase the Property and any additional identified parcels ("the Option") for a purchase price of [Amount] ("the Purchase Price"). 1.2 The Option shall be valid for a period of [Option Period] from the date of this Agreement ("the Option Period"). 1.3 The Buyer may exercise the Option at any time during the Option Period by providing written notice to the Seller. 1.4 The Buyer may exercise the Option for individual parcels or collectively for all parcels, subject to terms agreed upon.

2. CONSIDERATION 2.1 In consideration for the grant of the Option, the Buyer shall pay the Seller the sum of [Option Fee] ("the Option Fee"), which is non-refundable but deductible from the Purchase Price. 2.2 The Option Fee may be structured as staged payments depending on the size and number of parcels included in the transaction.

3. NOVATION AND ASSIGNMENT 3.1 The Buyer may, subject to Seller's prior written consent (not to be unreasonably withheld), assign or novate its rights and obligations under this Agreement to a third party ("the Assignee"). 3.2 If the Buyer wishes to novate this Agreement, the Buyer shall procure that the Assignee enters into a deed of novation with the Seller, whereby the Assignee agrees to be bound by the terms of this Agreement. 3.3 Upon execution of the deed of novation, the Buyer shall be released from its obligations under this Agreement, and the Assignee shall assume all rights and liabilities. 3.4 The Buyer may, at its discretion, assign portions of the land to different Assignees provided all conditions of this Agreement are met.

4. COMPLETION 4.1 Upon exercise of the Option, completion shall take place within [Completion Period] days of service of the exercise notice. 4.2 The Seller agrees to transfer the legal title of the Property to the Buyer (or Assignee) upon full payment of the Purchase Price. 4.3 The Buyer may complete the purchase in phases if agreed upon in writing by the Seller.

5. WARRANTIES AND REPRESENTATIONS 5.1 The Seller warrants that: a) They have full legal title and authority to enter into this Agreement. b) There are no encumbrances or third-party rights affecting the Property. c) The land is suitable for residential development, subject to necessary approvals.

6. DEFAULT AND TERMINATION 6.1 If the Buyer fails to complete the purchase after exercising the Option, the Seller shall be entitled to terminate this Agreement and retain the Option Fee. 6.2 If the

Seller breaches any material terms, the Buyer shall have the right to seek specific performance or terminate the Agreement. 6.3 If planning permission for residential development is denied, the Buyer shall have the right to terminate this Agreement and recover any Option Fees paid, subject to deductions for incurred costs.

7. GOVERNING LAW 7.1 This Agreement shall be governed by and construed in accordance with the laws of England and Wales.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

Signed by the Seller:

[Landowner's Name]

Signed by the Buyer:

[Buyer's Name]