

Overage agreement: buyer version; simple

This agreement is dated: []
It is made between []
of [address] (“ ”)
and [name]
of [address] (“ ”)

These are the terms of the agreement

1. Definitions

In this document, the following words

“Base Value” means the Market Value of the Land alone, on the assumption that there is no expectation of further

“Development” means any development of the whole or any part of the Land, that increases the value of the Land or any
£ [500 , 000].

“Land” means [full address and description, example: 2.4 acres of grazing land on the
3QE].

“Increased Value” means the Market Value of the Land as at the date of, and with the benefit of, a Permission, assuming that the

“Market Value” means the estimated price which should be agreed between a willing buyer and a willing seller, dealing at arm’s length, when both

“Overage Payment” means $(A - B) \times [20] \%$, where A = Increased Value
=

“Overage Period” means [10] years from and including

“Permission” means outline or detailed

“Qualifying permission” means a Permission which has the effect of
£ [] [] %,

“Surveyor” means an associate or fellow of the
5

“Transfer” means a disposition of the Land
27 (2)
2002 .

2. Interpretation

Unless the context clearly requires otherwise,

2.1. A reference to one gender shall include any or

2.2. A reference to a person includes a ,

2.3. A reference to a person includes reference to that person’s successors,
legal representatives,

2.4. Any agreement by either party not to do or

2.5. A reference to an act or regulation

2.6. All money sums mentioned in this agreement
(“ ”),

3. Overage Payment: payment terms

3.1. If a Qualifying Permission is granted at any time during the Overage Period,

3.1.1 [60]

3.1.2 [30] days after

3.2. The Buyer covenants that he will:

3.2.1 supply the Seller with a copy of any planning application and supporting

14]

3.2.2 supply the Seller with a copy of [14]

3.3. The benefit of the Buyer's covenant
()

3.4. Nothing in this agreement shall

4. The Overage Payment: Surveyor's valuation

4.1. If the Buyer and the Seller fail to agree whether an Overage payment

[30]

4.2. The Seller shall provide to the Buyer

4.3. The Buyer shall select any one of them

4.4.

4.5.

4.6.

4.7.

4.8.

4.9.

5. Release to enable Transfer

5.1.

,
,

,

.

5.2.

.

6. Miscellaneous matters

6.1.

,

.

6.2.

.

6.3.

,

,

,

,

.

6.4.

.

6.5.

,

,

,

.

,

.

6.6.

.

6.7.

) 1999 . (

6.8.

.

6.9.

,

.

6.10.

.

6.11.

- .

It shall be deemed to have been delivered:

:

;

:

72

;

-

- : 24

-

. [

- .

(,)
]

6.12.

,

.

6.13.

.

6.14. ,

.

Signed by the Buyer [\[name\]](#)

Signed by Seller [\[name\]](#)

Explanatory notes:

Overage agreement: buyer version; simple

Paragraph specific drafting notes:

Drafting notes, using the document paragraph numbers:

1. Definitions

You should first decide on the contents of the document, then return to check what definitions are needed and whether they really

By all means use the search/replace function in your word processor to change the defined terms.

Remember too, that when a word or phrase is defined, the defined

It is essential that the land is

2. Interpretation

Leave these items in place unless there is a good reason to edit or remove. Each of these items has been carefully considered

3. Overage Payment: payment terms

This is the essence of

4. The Overage Payment: Surveyor's valuation

We provide here

In other situations, you may have seen the more formal procedure whereby

5. **Release to enable Transfer**

Obviously essential. We suggest no change.

6. **Miscellaneous matters**

A number of special points. We have identified each of these as important to

End of notes