

STUDENT NAME: Sana Tanzeel

**TITLE OF ASSIGNMENT: RIGHTS AND LIABILITIES OF
VENDOR AND VENDEE**

TITLE OF COURSE: LAW TRANSFER OF PROPERTY

FACULTY MEMBER: MA'AM ABEDA

SUBMISSION DATE: 30-7-21

ASSIGNMENT#01

❖ INTRODUCTION:

The article seeks to explain the rights and liabilities of the parties involved in a sale about the vendee and vendor.

. There explanation is twofold;

Before completion of sale: rights and liabilities of the vendee and rights of liabilities of the vendor.

After completion of sale: rights and liabilities of the vendee and rights of liabilities of the vendor.

“RIGHTS AND LIABILITIES OF VENDOR AND VENDEE”:

At least two parties i.e. vendee and vendor are involved in order to buy or sale. The obligations imposed by section 55 are covenants and are in the nature of statutory obligations as I mentioned the above like before & after completion of sale. I. Before completion of sale.

Seller Liabilities

_To disclose material defects [section 55(1) the vendor is bound to disclose to the vendee any material defect which is present either in the property or in the title of the vendor to the property. About such a defect only the vendor is aware but not the vendee and the vendee could not discover that defect with ordinary care. It is necessary that the defect must be a material defect about which if the vendee had known he would not have purchased that property.

. To produce title-deeds [Section 55 (1)

The vendor is bound to bring all the documents of title relating to the property in his possession or power for the inspection of the buyer. The vendor is bound to produce all the documents demanded by the vendee for his examination. The vendee should examine all the documents relating to the property for his own protection.

. To answer questions as to Title [Section 55 (1)]

The vendor is bound to answer to the best of his information all the relevant questions put to him by the vendee in respect of the property or its title. Since the vendee is getting the ownership of the property it is in his interest that he must be fully satisfied about the ownership rights of the vendor and his authority to make the transfer.

. To execute a proper conveyance [Section 55 (1)]

The duties of both the vendor and the vendee under this clause are reciprocal. When the vendee makes the payment, the vendor has to execute the conveyance. It must be in proper place and proper time. But what is proper place and time, it has not been satisfied in the act.

. To take care of property and title-deeds [Section 55(1)]

This clause lays down the duty of the vendor between the contract of sale and delivery of property. Within this time the property remains with the vendor but only in trust for the vendee. He holds the property as a trustee of the vendee because he has already executed the conveyance and the delivery of the property is to be made. The vendor to preserve the property as well as title-deeds.

To pay outgoing [Section (55)]

This clause says that the vendor is bound to pay all public charges and rent accrued due in respect of that property up to the date of sale, the interest on all encumbrances, to discharge all encumbrances on the property then existing.

The liability exists before. The completion of the sale and continues thereafter whether the existence of such charges is discovered before or after the completion of sale.

Saller's Right before Sale

Right to take rent and profits [Section (55)]

The Vendor is entitled to the rents and profits of the property till the ownership of it passes to the vendee. Sale is completed when the ownership is transferred to the vendee.

Buyer's Liabilities before completion of sale

To disclose facts materially increasing value of property

The vendee is bound to disclose to the vendor any fact as to the nature or extent of the seller's interest in the property of which the vendee is aware but of which he has reason to believe that the vendor is not aware, and which materially increases the value of such interest.

To pay the price

The vendee is bound to pay or tender, at the time and place of completing the sale, the purchase money to the vendor or to such person as he direct; provided that where the property is sold free from encumbrances, the vendee may retain out of the purchase-money the amount of any encumbrances, the vendee may retain out of the purchase money the amount of any encumbrances on the property.

Vendee's rights before completion of sale

To charge for price prepaid

When the vendee properly declines to accept delivery, he becomes entitled to refund of earnest (if any) and for the costs (if any) also awarded to him in a suit to compel specific performance of the contract or to obtain a decree for its rescission.

The principle underlying this section is a trite principle of justice, equity and good conscience.

To give possession

The vendor is bound to give, on being so required, the buyer or such person as he directs, such possession of the property as its nature admits. The seller is to give possession of property either to the buyer or his authorised person whenever the buyer so requires.

Implied covenant for title

The vendor shall be deemed to contract with a buyer that the interest which the seller professes to transfer to the buyer subsists and that he has the power to transfer the same. Such a covenant is implied in every sale of immovable property and it is not required to be expressly mentioned in a sale deed.

To deliver title-deeds on receipt of price

Where the whole of the purchase-money has been paid to the seller, he is bound to deliver to the vendee all documents of title relating to the property which are in the vendor's possession or power.

The proviso to this clause lays down that.

Where the vendor retains any part of the property comprised in such documents, he is entitled to retain them all, and Where the whole of such property is sold to different buyers, the vendee of a lot of greatest value is entitled to such documents.

B. Vendor's rights after-sale

Charge upon property for unpaid price [Section 55]

This clause says, that where the ownership of the property has passed to the buyer before payment of the whole of the purchase-money, the seller becomes entitled to a charge upon the property.

Any transferee with notice of non-payment,

For the amount of the purchase money or if any part of the purchase money remaining unpaid, and

For interest on such amount of purchase money or any part unpaid from the date on which the possession has been delivered.

Vendee's liability after completion of sale

To bear loss to the property [Section 55

Where the ownership of the property has passed to the vendee, the vendee is bound to bear any loss arising from the destruction, injury or decrease in value of the property not caused by the vendor.

Therefore, if any loss occurs to the property either by way of accidental destruction or deterioration after the ownership has vested in the vendee, the vendee will bear the loss.

. To pay outgoing [Section 55

Where the ownership of the property has passed to the buyer, as between himself and the vendor, the principal money due on any encumbrances subject to which the property is sold and interest thereon afterwards accruing due.

After the completion of the sale, the vendee becomes the owner of the property and he becomes liable to pay the outgoing, for example, Government dues, taxes, rents and revenue etc. This liability is in between the seller the vendee.

Vendee's Right after completion of sale

Where the ownership of the property has passed to the vendee, the vendee is entitled to the benefit of any improvement in the property or increase in the value of the property and to the rents and profits thereof.

"Conclusion":

To conclude, I can say that the transfer of property act ,1882 has provided all the rights and liabilities of vender and vendee for their safety .. like if one breaches the other's right so the ones is having the right to file against of the defender.