

31443
6102084366

6101073240



HOUSING ACT 1985 – RIGHT TO BUY

LEASE OF FLAT

NUMBER: [REDACTED]
IN THE LONDON BOROUGH OF SOUTHWARK

Counterpart/

LONDON BOROUGH OF SOUTHWARK

- to -

[REDACTED]

DATE OF LEASE: 18 MARCH 2002

COMMENCEMENT DATE OF TERM: THE DATE HEREOF

TERM OF LEASE: 125 YEARS

EXPIRY DATE OF TERM: 17 MARCH 2127

SOUTHWARK LEGAL SERVICES
Ref: LEG/RTB/17732/MS

NOTICE OF MORTGAGE

TO: LONDON BOROUGH OF SOUTHWARK

RE: 148 CHARTRIDGE WESTMORELAND ROAD LONDON SE17

In pursuance of the covenants contained with the Lease dated 18th March 2002 between **THE MAYOR & BURGESSES OF THE LONDON BOROUGH OF SOUTHWARK** (hereinafter called "the Lessor") (1) and [REDACTED] (herein called "the Lessee") (2)

NOTICE IS HEREBY GIVEN that by a Mortgage dated the 18th March 2002 and made between the Lessee (1) and **HSBC Bank plc** (2) the property demised by the Lease were mortgaged to **HSBC Bank plc**.

Dated this 4th day of April 2002

Signed.....
SAB AND CO
365 WALWORTH ROAD
LONDON SE17 2AL

Received a Notice of which the above is a duplicate

Dated:

Signed:

H M LAND REGISTRY
LAND REGISTRATION ACTS 1925 TO 1997

LONDON BOROUGH OF SOUTHWARK



TITLE NUMBERS: TGL 30840

PROPERTY: Land in Albany Road

THIS LEASE is dated 18 MARCH 2012 and made

BETWEEN THE MAYOR AND BURGESSES OF THE LONDON
BOROUGH OF SOUTHWARK of the Town Hall Peckham Road London
SE5 (hereinafter referred to as "the Council") of the one part and [REDACTED]

[REDACTED] Bridge Albany Road London SE17
(hereinafter referred to as "the Lessee") of the other part

IN THIS LEASE the following expressions shall where the context
admits have the following meanings:

"*the building*" means the building known as 120 - 149

Chartridge SE17 including any grounds
outbuildings gardens yards or other property
appertaining exclusively thereto

"*the estate*" means the estate known as the Aylesbury Estate
including all roads paths gardens and other
property forming part hereof

"*the flat*" means the flat and land (if any) shown coloured
pink on the plan or plans attached hereto and
known as Number 143 on the second floor of the

building and including the ceilings and floors of the flat the internal plaster and faces of the exterior walls of the flat and the internal walls of the flat (and internal walls bounding the flat shall be party walls severed medially) but excluding all external windows and doors and window and door frames the exterior walls roof foundations and other main structural parts of the building

"the services" means the services provided by the Council to or in respect of the flat and other flats and premises in the building and on the estate and more particularly set out hereunder

- (i) central heating
- (ii) hot water supply
- (iii) caretaking lighting and cleaning of common areas
- (iv) maintenance of common television aerial or landline
- (v) maintenance of estate roads and paths
- (vi) estate lighting
- (vii) maintenance of gardens or landscaped areas
- (viii) unitemised repairs

"amount of discount" referred to in clause 5(2) hereof means the sum
of [REDACTED]
"the premium" means the sum of [REDACTED]
"the term" means the term of 125 years from the date
hereof

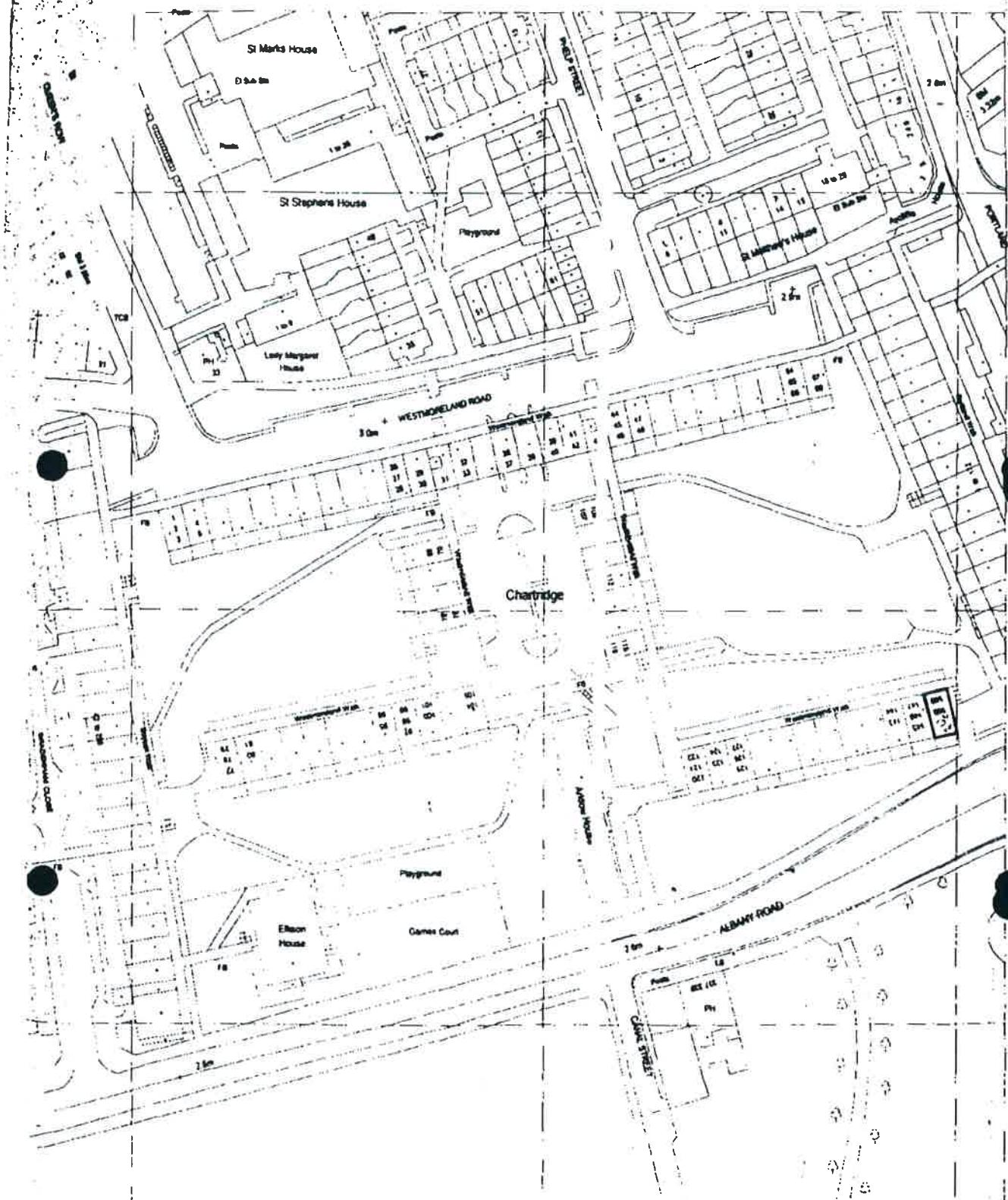
WHEREAS

- (A) The Council is registered at H M Land Registry as proprietor with Absolute title of the freehold property comprised in the title number(s) referred to above
- (B) The Lessee is entitled under the Housing Act 1985 (hereinafter referred to as "the Act") to be granted a long lease of the property hereinafter demised
- (C) The Council has granted or intends to grant leases of other flats in the building (as hereinbefore defined) or on the estate (as hereinbefore defined) under the Act and has in every such lease imposed and intends in every future such lease to impose (so far as they are able) the restrictions contained in Clause 3 hereof to the intent that any Lessee for the time being under any lease of any flat in the building or on the estate may be able to enforce the observance of the said restrictions by the Lessees or occupiers for the time being of other flats

NOW THIS DEED WITNESSETH as follows:

- 1 IN pursuance of the Act and in exercise of all other (if any) powers enabling it and in consideration of the premium paid to the Council by the Lessee (the receipt of which the Council hereby acknowledges) and of the

PROPERTY DIVISION



148 Chartridge, SE17

3rd floor

1st November 1999

SCALE 1:1250

DRAWN BY PSKY



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SOUTHWARK COUNCIL, CROWN
PORTLAND STREET, LONDON SE17 2ES

Southwark
Council

rent and covenants by the Lessee hereinafter reserved and contained the Council **HEREBY DEMISES** unto the Lessee with full title guarantee **ALL THAT** the flat **TOGETHER WITH** the easements and rights set out in the First Schedule hereto **EXCEPT AND RESERVING** as set out in the Second Schedule hereto **TO HOLD** the same for the term paying therefor during the term the yearly rent of £10 by annual payments in advance on the anniversary of the date hereof in each year the first of such payments to be made on the date hereof

2 THE Lessee hereby covenants with the Council:

- (1) To pay the said rent at the times and in manner aforesaid without any deduction
- (2) To pay all rates taxes assessments charges impositions and outgoings which may at any time during the said term be assessed charged or imposed on the flat or any part thereof or the owner or occupier in respect thereof
- (3)(a) To pay the Service Charge contributions set out in the Third Schedule hereto at the times and in the manner there set out
- (b) If any payment of or on account of Service Charge is not made on the due date for payment thereof for any reason including dispute as to the amount properly payable then to pay interest thereon from the due date until the date of payment as well after as before any judgment upon the amount properly payable at 5% above the National Westminster Bank PLC Base Rate prevailing from time to time

(c) Notwithstanding the foregoing nothing in this sub-clause(3) or in the Third Schedule hereto shall oblige the Lessee to pay any sums which by virtue of paragraphs 16A, 16B, 16C or 18 of Schedule 6 to the Act (as amended by the Housing and Planning Act 1986) the Lessee is not liable to pay

(4) To keep the flat and every part thereof (except any part which the Council is obliged to repair under Clause 4 hereof) and all walls sewers drains pipes cables wires and appurtenances thereof in good and tenantable repair and condition (including decorative repair)

(5) To permit the Council and their agents and licensees upon reasonable notice to enter the flat to examine the state and condition thereof and to make good all defects decays or wants of repair of which notice in writing shall be given by the Council to the Lessee and for which the Lessee may be liable hereunder within three months of service of such notice

(6) To permit the Council and their agents and licensees upon reasonable notice to enter the flat for the purposes of:-

- (i) examining any part of the building for the repair of which the Council is responsible or for the purpose of carrying out any works reasonably required for the performance of the Council's obligations under Clause 4 hereof or under any lease underlease or tenancy of any other part of the building or otherwise
- (ii) pest eradication treatment and in the event that the Lessee fails to keep a second notified appointment (in writing) during a programme

- of such treatment the Council and/or its appointed agents shall be entitled to force entry into the flat to carry out such treatment the person(s) so entering causing as little disturbance as possible and making good any damage caused as a result of such entry and leaving the flat in a secure condition
- (iii) installing any of the items mentioned in paragraph 7(9) of the Third Schedule hereto; and
 - (iv) making good (at the expense of the Lessee) any defects decays or wants of repair of which notice has been given under the foregoing covenant and which the Lessee has not made good within three months of the service of such notice (in which case the cost of such works shall be a debt due from the Lessee to the Council and forthwith recoverable by action) the person so entering doing no unnecessary damage and making good all damage caused as soon as reasonably possible
- (7) Not to make any structural alterations or structural additions to the flat or remove any of the Landlord's fixtures and fittings without the previous consent in writing of the Council
- (8) Not to disconnect the flat from the district central heating system if such system serves the flat without the previous consent in writing of the Council
- (9) Within one month after the same shall be executed or shall operate or take effect or purport to operate or take effect to give notice in writing to the Council at Strategic Services Department South House 30-32 Peckham

Road London SE5 8UB and to produce to the Council a copy of any transfer mortgage or charge of this lease or any part thereof or any underlease of the flat for substantially the whole of the unexpired term and every assignment of such underlease or any probate letters of administration Court Order or other instrument affecting or evidencing any devolution of title to this lease or any underlease and to pay to the Council a fee of £10 in respect of every such notice

(10) Forthwith after service upon the Lessee or occupier of the flat of any notice affecting the flat served by any person or body (other than the Council) to deliver a true copy thereof to the Council and to join with the Council in making such representations to such person or body concerning any proposals affecting the flat as the Council may consider desirable and to join with the Council in any appeal against any Order or direction affecting the flat as the Council may consider desirable

(11) Upon receipt of any lawful notice Order or direction from any competent authority affecting the flat requiring anything to be done or not done or any works to be executed to comply with the same at the Lessee's expense

(12) To pay all costs charges and expenses incurred by the Council in abating any nuisance in the flat or executing any works necessary for that purpose

(13) To pay all costs charges and expenses (including Solicitors' costs and Surveyors' fees) incurred by the Council for the purpose of or incidental to the preparation and service of any notice under Section 146 of the Law

of Property Act 1925 notwithstanding forfeiture is avoided otherwise than by relief granted by the Court

(14) At the expiration or earlier determination of the term peaceably to yield up the flat to the Council together with all additions thereto and all landlord's fixtures and fittings (if any) in good and tenable repair and condition as required by the provisions of this clause and of Clause 3(1) hereof

(15) By way of indemnity only to observe and perform the covenants and stipulations (if any) set out or contained or referred to in the Charges Register or Registers of the Council's title or titles above referred to so far as the same relate to the flat and are still subsisting and capable of taking effect and to indemnify the Council against all proceedings actions costs claims and demands in respect thereof

(16) To notify the Council forthwith upon the happening of an event giving rise to a liability under Clause 5(2) hereo

3 THE Lessee hereby covenants with the Council and with and for the benefit of the Lessees (whether under short or long leases and granted before or after this lease) and owners of other flats in the building or on the estate on behalf of the Lessee and those deriving title under him

(1) To keep the flat in good and tenable repair and condition (save any part thereof which the Council is obliged to repair under Clause 4 hereof) so as to provide shelter and support to parts of the building other than the flat

(2) To permit such Lessees and owners of other flats in the building upon reasonable notice (save in emergency) to enter the flat for the purposes

(i) of carrying out any obligation of such Lessee or owner to the Council

(ii) of repairing maintaining or renewing any easement enjoyed by such Lessee over the flat

in either and all such cases causing as little disturbance as possible and making good all damage caused

(3) Not to do or permit or suffer to be done any act or thing which may render void or voidable any policy of insurance in respect of the building or any part thereof or cause an increased premium to be payable in respect thereof

(4) Not to use or suffer the flat to be used for any purpose other than as a private dwellinghouse

(5) Not to do or permit or suffer to be done any act or thing which may be or become a nuisance or annoyance to the Council or to the Lessees owners or occupiers of adjoining or neighbouring property

(6) Not to keep any animal bird or reptile in the flat which the Council considers to be dangerous injurious to health or a nuisance

(7) Not to hang clothing or other articles out of or on windows balconies or common areas of the building or elsewhere other than in areas (if any) designated by the Council for that purpose

- (8) Not to beat or shake carpets moss or other articles out of the doors or windows or from balconies of the flat
- (9) Not to place flower pots or other objects outside the windows or on the balconies of the flat
- (10) Not to obstruct any common part of the building or of the estate
- (11) Not to park any vehicle on the estate or the building (as defined) save as authorised by this lease or by the Council
- (12) To observe all reasonable regulations made by the Council from time to time controlling the exercise of any easements or rights granted with this lease
- (13) Not to use or play any radio television record player tape recorder or musical or other noise making instrument of any kind so as to cause nuisance or annoyance at any time to occupiers of any neighbouring property or so as to be audible at all parts of the flat
- (14) Not to display any writing placard or advertisement at the flat so as to be visible from outside
- (15) Not to erect any external wireless or television aerial.
- (16) Not to decorate any exterior part of the flat without the consent of the Council
- (17) To observe and perform such other reasonable regulations or restrictions as may be made from time to time by the Council for the management of the building or of the estate

4 THE Council hereby covenants with the Lessee:-

- (1) That the Lessee paying the rent hereby reserved and observing and performing the several covenants on his part and the conditions herein contained shall peaceably hold and enjoy the flat during the term without any interruption by the Council or any person rightfully claiming under or in trust for it
- (2) To keep in repair the structure and exterior of the flat and of the building (including drains gutters and external pipes) and to make good any defect affecting that structure
- (3) To keep in repair the common parts of the building and any other property over or in respect of which the Lessee has any rights under the First Schedule hereto
- (4) As often as may be reasonably necessary to paint in a good workmanlike manner with two coats of good quality paint all outside parts of the building usually painted and also all internal common parts of the building usually painted
- (5) To provide the services more particularly hereinbefore set out under the definition of "services" to or for the flat and to ensure so far as practicable that they are maintained at a reasonable level and to keep in repair any installation connected with the provision of those services
- (6) To insure the building to the full insurance value thereof against destruction or damage by fire tempest flood and other risks against which it is normal practice to insure or to make other appropriate and adequate arrangements and in the event of destruction or damage by any such risk as aforesaid to rebuild or reinstate the flat and the building

(7) That should the Council hereafter grant a lease of any other flat in the building or on the estate they will (so far as they are able to) require any person to whom they so grant a lease to covenant to observe the restrictions set forth in Clause 3 hereto

(8) That the Council will assist the Lessee in whatever way is necessary (including taking legal proceedings in the name of the Council) to enforce any of the covenants by the Lessee or any lease of other flats in the building or on the estate on the Lessee indemnifying the Council against all costs and expenses in respect of such enforcement and providing such security in respect of costs and expense ; as the Council may reasonably require Providing nevertheless that this covenant is without prejudice to the Lessee's right to enforce the said covenants without the assistance of the Council

(9) When the Council maintains any such policy of insurance as is referred to in sub-clause (6) of this clause or the Third Schedule hereto the Lessee shall (in addition to his rights under the Third Schedule of the Landlord and Tenant Act 1987) be entitled to inspect such policy or policies upon reasonable notice at the offices of the Council during normal working hours at such offices

5 PROVIDED ALWAYS and it is hereby agreed and declared as follows:

(1) If the rent hereby reserved or any part thereof shall be unpaid for twenty-one days after becoming payable (whether formally demanded or not) or if any covenant on the part of the lessee herein contained shall not

be observed or performed then and in such case it shall be lawful for the Council at any time thereafter to re-enter the flat or any part thereof in the name of the whole and thereupon this lease shall absolutely determine but without prejudice to any right of action or remedy of the Council in respect of any antecedent breach of any of the Lessee's covenants or the conditions herein contained

(2)(a) If within three years from the date hereof there shall be a disposal as hereinafter defined the Lessee will pay to the Council on demand a sum equal to the amount of the discount (specified in sub-sub-clause (d) below) reduced by one third of that amount for each complete year which shall elapse between the date of this lease and the date of that disposal PROVIDED NEVERTHELESS that if there shall be more than one such disposal the Council shall be entitled to demand payment only on the first one

(b) In this sub-clause the word "disposal" means an assignment of this lease or the grant of a lease or sub-lease for a term (not being a mortgage term) of more than 21 years otherwise than at a rack-rent whether of the whole or part of the flat but the said word shall not include a disposal of the whole of the flat to the spouse or former spouse of the Lessee or to a member of the Lessee's family who has resided with him throughout the period of 12 months ending with the disposal nor shall it include a disposal of the whole of the flat pursuant to an order under Section 24 of the Matrimonial Causes Act 1973 or Section 2 of the Inheritance (Provision for Family and Dependents) Act 1975 nor a vesting in a person taking under a

will or intestacy nor a compulsory disposal nor a disposal consisting solely of land included in the flat by virtue of section 184 of the Act but the grant of an option enabling a person to call for a disposal shall be treated as a disposal

(c) To give effect to sub-clause (2)(a) of this Clause the Council and the Lessee hereby apply to the Chief Land Registrar to enter on the Register of the Lessee's title to the flat a notice of the Council's statutory charge pursuant to Section 156 of the Act

(d) it is hereby declared that the amount of the discount referred to in sub-clause (2)(a) of this clause and section 155(2) of the Act upon the grant of this lease was the amount hereinbefore stated under the definition of "amount of discount"

(3) In this lease unless the context otherwise requires

(a) "the Council" includes the person for the time being entitled to the reversion immediately expectant on the determination of the term hereby granted

(b) "the Lessee" includes the successors in title of the Lessee

(4) Where the Lessee for the time being consists of two or more persons all covenants by the Lessee shall be deemed to be made by such persons jointly and severally

(5) Section 196 of the Law of Property Act 1925 shall apply to any notice under this lease

(6) Reference in this lease to any provision of any Act of Parliament shall where the context requires refer also to any amendment or re-enactment thereof for the time being in force

6 IF the original grantees of this lease consist of two or more persons they hereby declare that they hold this lease upon the statutory trusts for sale and hold the net rents and profits until sale and the net proceeds of sale upon trust for themselves as joint tenants the survivor of whom can give a valid receipt for capital money arising on a disposition of the property

7(a) Sub-clause (b) of this clause shall only have effect if the premium is less than or equal to £60,000.00

(b) It is hereby certified that the transaction hereby effected does not form part of a larger transaction or series of transactions in respect of which the amount or value or aggregate amount or value of the consideration other than rent exceeds £60,000.00

(c) It is hereby certified that there is no Agreement for Lease to which this Lease gives effect

8 IN construing this lease regard may be had to the provisions of Part V of and the Sixth Schedule to the Housing Act 1985 as amended and the terms hereof shall be construed so as to be consistent with those provisions

IN WITNESS whereof this deed is executed in manner hereinafter appearing the day and year first before written

FIRST SCHEDULE

The flat is granted with the following rights (so far as the Council is able to grant the same) exercisable by the lessor or his agents or licensees at all reasonable times and for all purposes connected with the use of the flat in accordance with the terms of this lease in common with the Council and all others entitled to exercise any such rights and in accordance with any regulations from time to time concerning exercise of the same

- 1 The right of subjacent and lateral support for the flat from other parts of the building
- 2 Full right of way on foot over such parts of the building as afford access to the flat
- 3 Full right of way with or without cars or motor bicycles over the estate roads (if any)
- 4 The free passage and running of water gas or other piped fuel sewage smoke or fumes through the pipes sewers drains vents or passages serving the flat
- 5 The right to the use and maintenance of the cables or other installations serving the flat for the supply of electricity and for the telephone or for the receipt directly or by landline or visual or other wireless transmissions to the flat
- 6 The right to use the lift (if any) in the building serving the flat
- 7 The right to use the refuse chute (if any) serving the flat between the hours 7.30am and 9.00pm only

8 The right to place and maintain one properly maintained dustbin in the dustbin area (if any) for that purpose

9 The right to use the landscaped or garden areas (if any) for the purpose of recreation

10 The right at all reasonable times and upon reasonable notice (save in emergency) to enter other parts of the building for the purpose of complying with the Lessee's obligations hereunder or of repairing maintaining or renewing any easement enjoyed by the Lessee over such other part of the building the Lessee in any such case causing as little disturbance as possible and making good all damage caused

11 The benefit of the restrictions contained in leases of other flats in the building or on the estate granted under the Act or under the Housing Act 1980 so far as intended to and capable of benefiting the flat

PROVIDED ALWAYS that each of the foregoing easements and rights is conditional upon the performance and observance by the Lessee of his obligations under this lease

SECOND SCHEDULE

Easements and Rights Reserved

The following easements and rights are reserved from the term hereby granted for the benefit of the Council and the tenants or occupiers of the parts of the building to which the same are appurtenant

1 The right of subjacent and lateral support provided by the flat for other parts of the building

- 2 The free passage and running of water gas or other piped fuel sewage smoke or fumes through the pipes sewers drains vents or passages within the flat but serving other parts of the building
- 3 The right to the use and maintenance of cables or other installations for the supply of electricity and for the telephone or for the receipt directly or by landline of visual or other wireless transmissions so far as such cables or other installations are within the flat but serve other parts of the building
- 4 All other easements quasi-easements rights and privileges now appurtenant to any other part of the building and enjoyed over or in respect of the flat
- 5 The right for the Council its officers agents or contractors and all persons authorised by the Council and the tenants and owners and occupiers of other parts of the building and their licensees at all reasonable times upon reasonable notice (save in emergency) to enter the flat for the purposes
 - (1) of complying with their respective obligations hereunder or under any lease or underlease of any other part of the building
 - (2) of repairing maintaining or renewing any easement enjoyed by such tenant over the flatin all and every such case causing as little disturbance as possible and making good all damage caused
- 6 All other (if any) rights reserved to the Council by or under statute or otherwise

THIRD SCHEDULE

Annual Service Charge

1(1) In this Schedule 'year' means a year beginning on 1st April and ending on 31st March

(2) Time shall not be of the essence for service of any notice under this Schedule

2(1) Before the commencement of each year (except the year in which this lease is granted) the Council shall make a reasonable estimate of the amount which will be payable by the Lessee by way of Service Charge (as hereinafter defined) in that year and shall notify the Lessee of that estimate

(2) The Lessee shall pay to the Council in advance on account of Service Charge the amount of such estimate by equal payments on 1st April 1st July 1st October and 1st January in each year (hereinafter referred to as 'the payment days')

3 In respect of the year in which this lease is granted

(1) An estimate of the amount of the Service Charge shall be made prior to the grant hereof and that amount shall be apportioned by time for the portion of a year from the date hereof to the end of that year

(2) The Lessee shall pay

(i) on the date hereof a proportion of such apportioned amount for the period from the date hereof to the next payment day and

(ii) on each of the remaining payment days in that year an equal part of the remainder of such apportioned amount

4(1) As soon as practicable after the end of each year the Council shall ascertain the Service Charge payable for that year and shall notify the Lessee of the amount thereof

(2) Such notice shall contain or be accompanied by a summary of the costs incurred by the Council of the kinds referred to in paragraph 7 of this Schedule and state the balance (if any due under paragraph 5 of this Schedule

5(1) If the Service Charge for the year (or in respect of the first year hereof the apportioned part thereof) exceeds the amount paid in advance under paragraph 2 or 3 of this Schedule the Lessee shall pay the balance thereof to the Council within one month of service of the said notice

(2) If the amount so paid in advance by the Lessee exceeds the Service Charge for the year (or the apportioned part thereof for the first year hereof) the balance shall be credited against the next advance payment or payments due from the Lessee (or if this lease has then determined be repaid to the Lessee)

6(1) The Service Charge payable by the Lessee shall be a fair proportion of the costs and expenses set out in paragraph 7 of this Schedule incurred in the year

(2) The Council may adopt any reasonable method of ascertaining the said proportion and may adopt different methods in relation to different items of costs and expenses

7 The said costs and expenses are all costs and expenses of or incidental to

- (1) The carrying out of all works required by sub-clause (2) to (4) inclusive of Clause 4 of this lease
- (2) Providing the services hereinbefore defined
- (3) Insurance under sub-clause (6) of Clause 4 of this lease
- (4) All rates taxes duties charges assessments and outgoings whatsoever assessed charged or imposed upon or in respect of the building or the estate and not the liability of the Lessee or any other tenant or occupier thereof
- (5) Any insurance against liability to the Lessee or others in respect of the building or the estate taken out by the Council or against the cost of making good any structural defect in the building
- (6) The maintenance and management of the building and the estate (but not the maintenance of any other building comprised in the estate)
- (7) The employment of any managing agents appointed by the Council in respect of the building or the estate or any part thereof PROVIDED that if no managing agents are so employed then the Council may add the sum of 10% to any of the above items for administration
- (8) All value added or other tax payable in respect of any of the costs and expenses mentioned in this paragraph
- (9) The installation (by way of improvement) of:
- (i) double-glazed windows (including associated frames and sills) in replacement of any or all of the existing windows of the flat and of the other flats and premises in the building and in common areas of the building; and

(ii) an entry-phone system (meaning a telephonic device at the entrance of the building allowing communication between the occupiers of the flat and visitors to the building and the release by remote control from the flat of a lock on a door at the entrance of the building or any installation serving a similar purpose)

should the Council in its absolute discretion (and without being under any obligation) decide to install the same or either of them

8 The summary of costs referred to in paragraph 4 of this Schedule shall contain an explanation of the manner in which the proportion of those costs apportioned to the flat under paragraph 6 of this Schedule has been calculated

Signed as a Deed by the Lessee)
in the presence of:)

Witness Name: ..HEATH S. DIXON.....

Witness Address:SAB & Co.
SOLICITORS
365 WALWORTH ROAD
SE17 2AL.....

Witness Occupation:DX 34903 WALWORTH
LEGAL ASSISTANT.....

Witness Signature: ..H. Dixon.....



London
SE17 2DA

Leasehold Management

80 Blakes Road
Peckham
London

SE15 4EP

**Leasehold Management
Section**

Tel : 020 7525-1440 / 1442
Fax: 020 7525-1445

Ref: RTB/ 017732

Date: 22/08/00

Dear Mrs Kabuto

Right To Buy Offer Notice Section 125 – 148 Chartridge.

**THIS OFFER NOTICE SUPERSEDES THE PREVIOUS OFFER NOTICE
DATED 24/01/2000.**

Further to your Right To Buy application, I enclose a Section 125 Landlord's Offer Notice, and an Acceptance/ Refusal form. I would strongly advise that you obtain independent professional advice about the value and structural condition of the above property. I also recommend that you appoint a solicitor to act on your behalf.

If you wish to proceed with the purchase, please complete the Acceptance/ Refusal form and return it to me at the above address within:

3 months of the date of this offer.

Any questions regarding your discount entitlement, service charge appendix 2, or additional sheet 5 can be answered by any member of the Leasehold Management Section based at the above address, (or alternatively by telephone on 020 7525-1442 or 020 7525 1440).

Yours sincerely

Dave Coombs *[Handwritten signature]*
Leasehold Management

APPENDIX 1

LONDON BOROUGH OF SOUTHWARK
HOUSING DEPARTMENT

RT No: 17732
No of BEDROOMS: 3

DATE
NAME
ADDRESS

SE17 2DA

SERVICE CHARGES

THE ATTACHED APPENDIX 2 APPLIES

CAPITAL REPAIRS

The following defects are known to exist and notice is hereby given to you. The right is reserved to carry out a further survey and to notify further defects prior to completion of the lease.

REPAIRS / RENEWALS REQUIRED TO:

Roof	#	15000	Private Balconies	#	16000
External Walls	#	5000	Floors	#	0
Windows	#	0	Means of Escape	#	0
Common Stairs	#	0	Internal Walls	#	0
Access Balconies	#	6250	* Other Costs 1	#	30000
Scaffolding	#	0	* Other Costs 2	#	3500

APPORTIONED PROVISIONAL ESTIMATED TOTAL COST: # 2761.70

The Lease will require you to pay an appropriate part of the cost of making good these defects. The average annual amount at current prices likely to be payable by you in the first five years of the lease in respect of those repairs listed above is # 552.34 per annum.

CAPITAL IMPROVEMENTS

IMPROVEMENTS TO BE CARRIED OUT:

EXTERNAL DECORATING: #1200.00

APPORTIONED PROVISIONAL ESTIMATED COST: #1200.00

The Lease will require you to pay an appropriate part of the cost of making good these defects. The average annual amount at current prices likely to be payable by you in the first five years of the lease in respect of those repairs listed above is # 240.00 per annum.

Note: It should be noted that the above figures are calculated on current prices, and the landlord has and will exercise the right to adjust those prices incorporating an allowance for inflation.

* Other Costs:

1. ENTRYPHONE.
2. DRAINAGE AND CONCRETE STEPS.

THIS OFFER NOTICE SUPERSEDES THE
PREVIOUS OFFER NOTICE DATED 24/01/00⁷

Housing Act 1985 s. 128(5) (as amended).

TRB 7

SECURE TENANT'S RIGHT TO BUY

NOTICE OF EFFECT OF [RE-] DETERMINATION OF VALUE

(Please read this Notice carefully. If you have instructed a solicitor to act for you, hand it to him without delay.)

To (')

the tenant(s) of the house[flat] known as (')

I With reference to [your] [the landlord's] requirement that the value of the house[flat] described above be [re-]determined by the District Valuer, the ('') **LONDON BOROUGH OF SOUTHWARK** ("the landlord") hereby GIVES YOU NOTICE that the effect of such [re-]determination is as follows:-

Valuation given in the notice to you dated	24/01/00	£	
Valuation as [re-]determined by the District Valuer		£	
[Increase] [Decrease] in valuation		£	

2 Therefore the price at which you are entitled to have the freehold conveyed to you [a lease for 125 years granted to you] is now £

This price has been arrived at as follows:-

market value at ('')	10/02/95	£	
as [re-]determined by District Valuer		£	
[Less discount]	582	£	

The discount has been calculated on the basis that—

- (i) the total period which may be taken into account for discount is 19 years
- (ii) [the discount has been limited to £ ————— [there is no discount allowed], in accordance with s. 131 of the Housing Act 1985*—]
- (iii) the maximum discount currently permitted by the Secretary of State for the Environment is —————
- (iv) the discount previously allowed of £ ————— has been deducted.

(The following improvements have been disregarded in arriving at the value shown above:-

BATHROOM FITTINGS

(Delete words in square brackets which do not apply)

CONTINUED OVERLEAF

- (1) Insert name(s) of secure tenant(s)
- (2) Insert address of dwelling-house
- (3) Insert name of landlord
- (4) Insert relevant date. (See s. 122(2) of the Act.)
- t Insert maximum discount applicable to region

*The general effect of section 131 of the Act (as amended) and a determination made under it by the Secretary of State is to provide that the discount shall not reduce the purchase price below the costs incurred by the landlord in building, purchasing and/or improving the dwelling during a period of ten/eleven years before the right to buy notice was served.

[3] The following structural defects are known to exist:-

Description of Defect

You ARE STRONGLY ADVISED TO OBTAIN
YOUR OWN STRUCTURAL SURVEY

[4] A service charge estimated (at current prices) at an average of £
will be made. This is calculated as follows:-

per year

Head of Charge	Amount
----------------	--------

SEE APPENDIX 2

Aggregate amount of above estimates		£	
[5] A service charge in respect of the following works of repair (including the making good of any structural defects) will be made. Such charge has been estimated as follows:-			
This paragraph applies to flats and maisonettes only	Details of work	Estimated amounts (at current prices) of likely cost	Estimate of your likely contribution

SEE ADDITIONAL SHEET 5

Aggregate amounts of above estimates	£
--------------------------------------	---

[A further] charge in respect of any works not itemised above will [also] be made. The estimated average annual amount (at current prices) which the landlord considers is likely to be payable by you is £ []

NOTE 1. Under paragraph 16B of Schedule 6 to the Housing Act 1985, your liability to contribute to repair costs during the initial period of the lease is limited. The initial period is normally the first five years of the lease. The general rule is that you will not be liable to pay more than the estimated contribution to the cost of any works itemised above, plus an inflation allowance, nor will you be liable to pay more than the estimated average annual amount shown above, plus an inflation allowance, in respect of works not itemised. See also Note 3 below.]

This paragraph applies to flats and maisonettes only

[6] A service charge will be made in relation to the following works of improvement, in respect of which the landlord considers that costs may be incurred in the reference period mentioned below. Such charge has been estimated as follows:-

Details of work	Estimated amounts (at current prices) of likely cost	Estimate of your likely contribution
-----------------	---	--------------------------------------

ENTRYPHONE

30.00 1,000

INSTALLATION

£ 1,000

NOTE 2. Under paragraph 16C of Schedule 6 to the Housing Act 1985, your liability to pay improvement contributions during the initial period of the lease is limited. The initial period is normally the first five years of the lease. The general rule is that you will not be liable to pay more than the estimated contribution set out above, plus an inflation allowance. You will not be required to make any payment in respect of works for which no estimate has been given in this notice. See also Note 3 below.)

The reference period for the purposes of the above estimates begins on

22 FEB 2001

and ends on

31 MAR 2007

NOTE 3. The reference period adopted for the purpose of the estimates will not be the same as the initial period unless the lease is granted on the date expected when the estimates were made. This makes no difference as regards works itemised in the estimates. Where, however, costs are incurred in respect of non-itemised works during part of the initial period which falls outside the reference period, you will not be required to pay at a rate exceeding the annual average of all the works for which estimates were given, including both itemised and non-itemised works.

The Housing (Right to Buy) (Service Charges) Order 1986, made under paragraph 16D, prescribes the way in which inflation allowances are to be calculated by reference to published statistics and the information to be given to tenants with relevant service charge demands.

Paragraph 16 C makes similar provision to paragraph 16B in respect of improvement contributions.

Paragraph 16D also amends paragraph 18 of Schedule 6 to the 1985 Act to render void any provision in the lease or a collateral agreement which conflicts with the new limitations. The amended paragraph does not repeat the provisions in the existing sub-paragraph (3) concerning structural defects.

7 Within twelve weeks of the service on you of this offer notice (or, if you have exercised your right to a determination or re-determination of value by the District Valuer, within twelve weeks after the service on you of a notice informing you of the effect of the determination or re-determination) you must either (i) serve a written notice on the landlord (a "notice of intention") stating either that you intend to pursue your claim to exercise the right to buy or that you withdraw that claim, or (ii) serve a notice on the landlord claiming to exercise the right to acquire on rent to mortgage terms. If you fail to serve such notice the landlord may, at any time after the end of the relevant period of twelve weeks, serve a notice on you requiring you to do so within 28 days; if you do not comply with that notice then your claim to exercise the right to buy will be deemed to have been withdrawn.

If this offer notice has been served on a former tenant then, whether or not that tenant has served a notice of intention, as mentioned above, you as the new tenant, must serve a notice of intention on the landlord either within twelve weeks from your becoming a secure tenant or, if the right to determination or re-determination of the value is or has been exercised by you or the former tenant, within twelve weeks from the service of a notice informing you of the effect of such determination or re-determination.

8 Subject to certain conditions, you have a right to acquire the [house] [flat] on rent to mortgage terms. To exercise your right you must serve a notice on the landlord (Form RTB 3) during the period that your notice claiming the right to buy is in force. As soon as practicable after receiving your claim the landlord will serve on you a notice either admitting your right and informing you of the relevant calculations and provisions, or denying your right and stating why, in the landlord's opinion, you do not have the right to acquire on rent to mortgage terms.

9 You cannot exercise the right to acquire on rent to mortgage terms if you are or were entitled to housing benefit for any part of the period beginning twelve months before the day of your claim to exercise that right and ending with the day on which the conveyance or grant is executed in pursuance of that right, or if a claim for housing benefit for any part of that period has not been determined or withdrawn.

10 You cannot exercise the right to acquire on rent to mortgage terms if the minimum initial payment in respect of the [house] [flat] exceeds the maximum initial payment. The maximum initial payment is 80% of the price which would be payable if you were exercising the right to buy. The minimum initial payment is calculated in accordance with a formula based on a figure declared from time to time by the Secretary of State. The relevant figures are currently as follows:

- (11 In the opinion of the landlord you have a right, under section 450A of the Housing Act 1985 and regulations made under that section, to a loan in respect of service charges for repairs for a period of up to ten years, depending on the amount involved*. In order to claim the right to such a loan you must notify the landlord within six weeks of the date when the demand for service charges in respect of repairs is given to you. The landlord will then inform you of the terms of the loan and you will have four weeks after that to accept the offer.)
- 12 Subject to certain time limits (under section 140(3) of the Housing Act 1985), the landlord may serve on you a Prior Notice as to Completion (Form TRB 12A) asking you to complete the purchase within a specified period (not less than 56 days) or, if you feel that there are still matters outstanding, asking you to notify the landlord of such matters. If you then do neither of those, the landlord may serve on you a Final Notice to complete (Form TRB 12B) requiring you to complete the purchase within a specified period (not less than 56 days) and if you do not do so by the end of that period your notice claiming the right to buy will be deemed to have been withdrawn.
- 13 In the opinion of the landlord the following provisions should be included in the [conveyance] [grant of lease] to you:-

Dated 22/AUG/2000

19

Signe

D. Zombe

Name in capitals DAVE WOMBS

Office held LETSHELD MANAGEMENT

on behalf of DIRECTOR OF HOUSING

§ Insert name of landlord

LONDON BOROUGH OF SOUTHWARK

* If your landlord is a housing association, this would be in the form of an advance from the Housing Corporation; in any other case, you would instead be able to leave the whole or part of the service charges outstanding

HOUSING ACT 1985 - RIGHT TO BUY

APPENDIX 2

DATE 22 AUGUST 2000
NAME [REDACTED]
ADDRESS [REDACTED]

LONDON BOROUGH OF SOUTHWARK
LEASEHOLD MANAGEMENT UNIT

LONDON SE17 02DA

RTB No: 017
NO OF BEDROOMS: 3

Type of Service	Average Annual Cost	Service Charge for property	Notes
CENTRAL HEATING		559.65	Dependant on size of accommodation & type of heating on Total Heating Account
HOT WATER			Dependant on type of accomodation
LIFT			Based on Annual Estimated Expenditure and the number of units served
CARE AND UPKEEP	102.47	102.47	Based on Annual Estimated Expenditure and the number of units served
TELEPHONE	SEE NOTES		Annual Maintenance Cost / Rental Dependant on type of system:-
WINDOW CLEANING	0.00	0.00	Based on Annual Expenditure Communal Areas only
TV ARIEL	18.59	18.59	Annual Rental Cost per Television
ESTATE ROADS, DRAINS & LAMP COLUMNS	4.04	4.04	Annual Maintenace Cost and Number of Units Served
ESTATE LIGHTING	36.03	36.03	Annual Maintenace Cost and Number of Units Served
REFUSE DISPOSAL	0.00	0.00	Annual Maintenace Cost and Number of Units Served
GARDEN MAINTENANCE	24.04	24.04	Annual Maintenace Cost and Number of Units Served
UNITEMISED REPAIRS	95.93	95.93	Dependant on number of bedrooms (Day to Day Repair and Maintenance)
SUBTOTAL BUILDING INSURANCE		840.75	£9.75 per £1000 of Residential Valuation (See Note 4)
SUBTOTAL MANAGEMENT COSTS		896.59	10% of total Service Charge levied
ANNUAL TOTAL		986.24	Service Charge for year ending 31st March 2001
QUARTERLY CHARGE		246.56	

Notes

1. It should be noted that the above figures are calculated on current prices, and the Landlord has and will exercise the right to adjust those prices incorporating an allowance for inflation.
2. Payment of service charges are to be made quarterly in advance by the following dates 1st April, 1st July, 1st Oct, 1st Jan.
3. Any Under or Over charges will be adjusted the following year.
4. The insurance premium included in the above Service Charges is for Comprehensive Cover for building (and Landlord, and Lessors fixtures and fittings) YOU ARE STRONGLY RECOMMENDED TO EFFECT INSURANCE COVER ON YOUR OTHER HOUSEHOLD CONTENTS AND TO REGULARLY REVIEW THE AMOUNT OF COVER. A copy of the appropriate section of the Council's Insurance Policy will be made available on request.
5. THIS DOCUMENT IS FOR INFORMATION ONLY, AND DOES NOT AFFECT THE LEGAL RIGHTS UNDER THE LEASE.

Additional Sheet 5.0

Ref:R/ 17732

A service charge in respect of the following works of repairs (including the making of any structural defects) will be made. Such charges have been estimated as follows:-

Details of Works:	Estimated amounts (at current prices) of likely cost	Estimated of your likely contribution
External Decorating:	£ 1200	£ 1200
Aggregate amounts of above estimates		
	£ 1200 =====	£ 1200 =====

NOTICE IN REPLY TO TENANT'S RIGHT TO BUY CLAIM

FORM RTB2

LANDLORD'S NAME : LONDON BOROUGH OF SOUTHWARK

RTB : 17732

Address of Property :

Neighbourhood : 09

WESTMORELAND ROAD
SE17 2DA

TAPLOW

PART A: ADMISSION OF THE RIGHT TO BUY

Surname Other Names

Your right to buy the above property is admitted.

Your claim was received on 10/Feb/1999. The Purchase price will be based on the property's market value at this date.

The landlord is required to send you a notice stating the proposed terms of sale, including the purchase price, within the next 8 weeks (or 12 weeks if you are buying a lease of the property rather than the freehold).

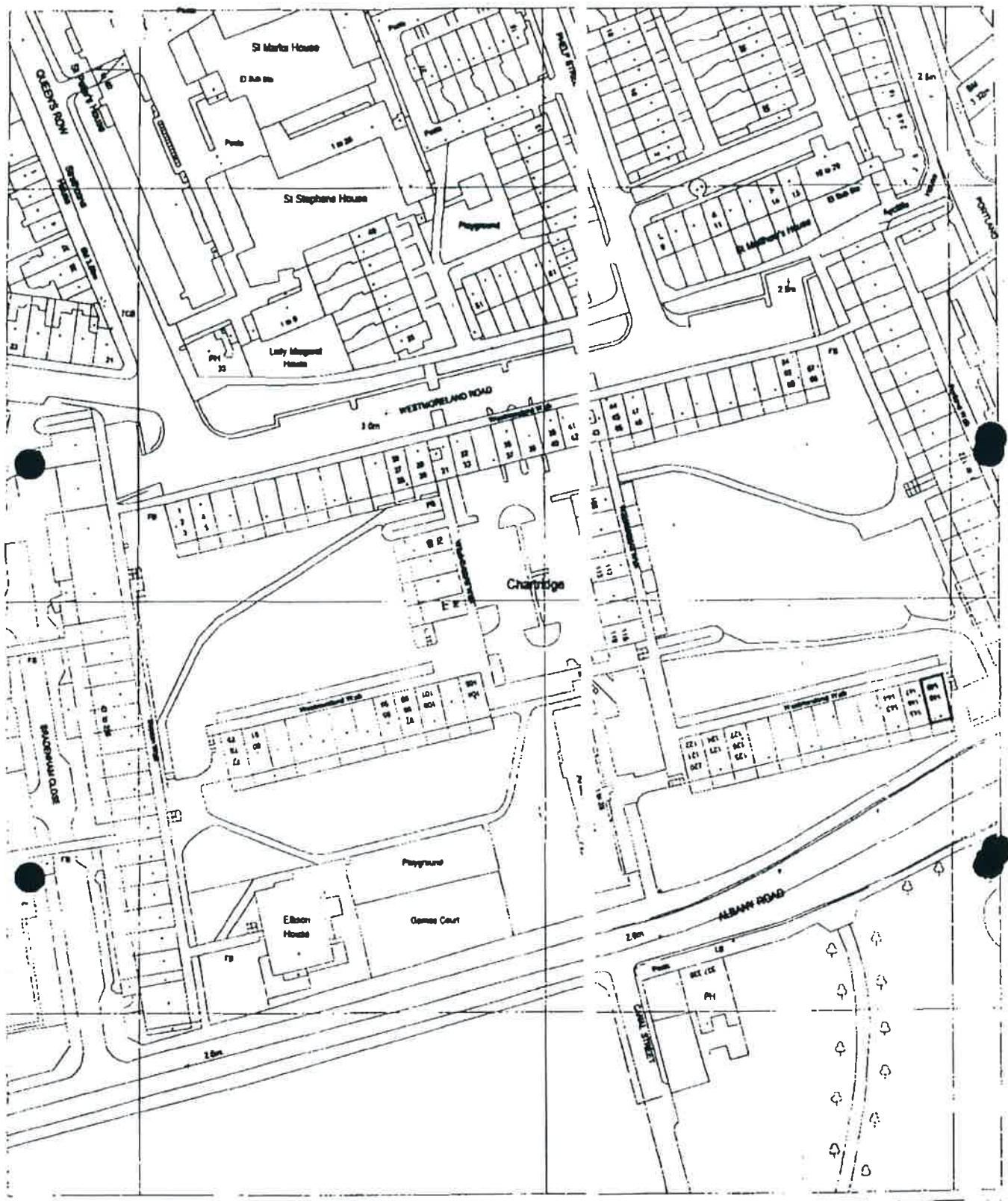
Signed on behalf
of the landlord

pp ROBERT COOMBER

DIRECTOR OF FINANCE

12/Apr/1999

PROPERTY DIVISION



Address

3rd floor

Date

1st November 1999

SCALE 1:1250

DRAWN BY PSKY



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SOUTHWARK COUNCIL, Customs
Portside Street, London SE17 3ES

Southwark
Council

DATED []

J 201

NOTTING HILL HOME OWNERSHIP LIMITED
as Landlord

[•]
as Leaseholder

Shared Ownership Underlease
(flats only – mixed tenure estates)

of flat at

[] [Barrett Court/Hodgkin Court/Leigh Court/Palfrey Court]
[1/2 Dobson Walk/1 Sam King Walk/59/74 Edmund Street]

London

SE5 [7FL][7FN][7FP/7NR]
(Plot [] Block [])

[Aylesbury Estate Leaseholders only]

Important Notice for Leaseholders

A guide to the key terms of this Lease is set out in Appendix 3

Orrick, Herrington & Sutcliffe (Europe) LLP
107 Cheapside
London EC2V 6DN

SFH/100009.
Standard Newbuild Homebuy Lease (Flats Only)

*Author of Standard: SFH
[Created June 2011]*

Created from 59240226 to incorporate HCA model April 2010 and

Updated to match updated model May 2013

Minor changes April 2013

Master Document Number: 550543201

Date: 20 July 2015

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LAND REGISTRY PRESCRIBED CLAUSES

LR1. Date of Lease	/ J 201
LR2. Title number(s)	LR2.1 Landlord's title number(s) TGL367020
	LR2.2 Other title numbers None
LR3. Parties to this Lease	Landlord NOTTING HILL HOME OWNERSHIP LIMITED (company no. 23066R) whose registered office is at Bruce Kenrick House 2 Killick Street London N1 9FL Tenant [•] of [•]
LR4. Property	In the case of a conflict between this clause and the remainder of this lease then, for the purposes of registration, this clause shall prevail
	As specified in Schedule 1 (<i>The Premises</i>) and Schedule 10 (<i>Defined Terms</i>) of this Lease and defined in this Lease as "the Premises"
LR5. Prescribed statements etc	LR5.1 Statements prescribed under rules 179 (dispositions in favour of a charity), 180 (dispositions by a charity) or 196 (leases under the Leasehold Reform, Housing and Urban Development Act 1993) of the Land Registration Rules 2003 None
	LR5.2 This Lease is made under, or by reference to, provisions of: Not applicable
LR6. Term for which the Property is leased	The term as specified in this Lease at Clause 2 (<i>The Letting Terms</i>) and as defined in Schedule 10 (<i>Defined Terms</i>)
LR7. Premium	£[•]

LR8. Prohibitions or restrictions on disposing of this Lease	This Lease contains a provision that prohibits or restricts dispositions
LR9. Rights of acquisition etc	<p>LR9.1 Tenant's contractual rights to renew this Lease, to acquire the reversion or another lease of the Property, or to acquire an interest in other land</p> <p>None</p> <p>LR9.2 Tenant's covenant to (or offer to) surrender this Lease</p> <p>As specified in Clause 3.19 (<i>Pre-emption provisions</i>), Schedule 8 (<i>Surrender by Leaseholder (Pre-emption)</i>) and Clause 6.8 (<i>Frustration clause</i>)</p> <p>LR9.3 Landlord's contractual rights to acquire this lease</p> <p>Not applicable</p>
LR10. Restrictive covenants given in this lease by the Landlord in respect of land other than the Property	None
LR11. Easements	<p>LR11.1 Easements granted by this lease for the benefit of the Property</p> <p>As specified in Schedule 3 (<i>Easements, Rights and Privileges</i>) of this Lease and the easements included in the definition of Incorporated Terms and specified in clauses (1) to (3) of the First Schedule of the Superior Lease</p> <p>LR11.2 Easements granted or reserved by this lease over the Property for the benefit of other property</p>
	As specified in Schedule 4 (<i>Exceptions and Reservations</i>) and the easements included in the definition of Incorporated Terms and specified in clauses (1) to (4) of the Second Schedule of the Superior Lease
LR12. Estate rent charge burdening the Property	Not applicable
LR13. Application for standard form of restriction	The Parties to this Lease apply to enter the following standard form of restriction against the title of the Property:-

	<p>"No disposition of the registered estate (other than a charge) by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a certificate signed by the proprietor for the time being of the estate registered under title number TGL367020 or their conveyancer that the provisions of Clause 3.19 (<i>Pre-emption provisions</i>) of the registered lease have been complied with or that they do not apply to the disposition."</p>
LR14. Declaration of trust where there is more than one person comprising the Tenant	<p><i>[The Tenant is more than one person. They are to hold the Property on trust for themselves as joint tenants.]</i></p> <p style="text-align: center;">OR</p> <p><i>[The Tenant is more than one person. They are to hold the Property on trust for themselves as tenants in common in equal shares.]</i></p> <p style="text-align: center;">OR</p> <p><i>[The Tenant is more than one person. They are to hold the Property on trust [complete as necessary].]</i></p>

CONFIDENTIAL

PARTICULARS

Commencement Date	1 October 2014
Gross Rent	£[●] per annum, subject to review in accordance with Schedule 5 (<i>Rent Review</i>).
Ground Rent	From and including the Commencement Date until and including 30 September 2039 [£250] per annum – 1 bed; [£300] per annum – 2 bed; from and including 1 October 2039 until and including the 30 September 2064 [£500] [£600] per annum; from and including 1 October 2064 until and including 30 September 2089 [£1,000] [£1,200] per annum; from and including 1 October 2089 and thereafter [£2,000] [£2,400] per annum;
Estate Proportion (clause 7)	a fair proportion of the Estate Provision to be determined by the Authorised Person taking into account the degree of benefit received by the Premises from the services
Initial Market Value	The sum of £[●].
Initial Percentage	[●] %.
Premium	The sum of £[●]
Review Date	1 April 2016 and each successive 1 April during the Term and the term the "Relevant Review Date" shall be construed accordingly.
Specified Proportion (clause 7)	a fair proportion of the Service Provision to be determined by the Authorised Person taking into account the degree of benefit received by the Premises from the services
Specified Rent	A sum equal to the Unacquired Percentage of the Gross Rent (the Specified Rent on the date of this Lease being £[●] per annum) or (if greater) the Minimum Rent

DATED [] J201

PARTIES

(1) NOTTING HILL HOME OWNERSHIP LIMITED whose registered office is at Bruce Kenrick House 2 Killick Street London N1 9FL registered with the Homes and Communities Agency under number SL3119 and which is an Industrial and Provident Society registered under the Co-Operative and Community Benefit Societies Act 2014 under number 23066R (the "Landlord")

(2) of
(the "Leaseholder")

OPERATIVE PROVISIONS

1 DEFINITIONS AND INTERPRETATION

- 1.1 In this Lease the terms defined in the Particulars and in Schedule 10 (*Defined Terms*) shall have the meanings specified.
- 1.2 Any obligation on a party to this Lease to do any act includes an obligation to procure that it is done.
- 1.3 Where the Leaseholder is placed under a restriction in this Lease, the restriction includes the obligation on the Leaseholder not to permit or allow the infringement of the restriction by any person.
- 1.4 References to liability include, where the context allows, claims, demands, proceedings, damages, losses, costs and expenses.
- 1.5 The Clause and paragraph headings in this Lease are for ease of reference only and are not to be taken into account in the interpretation of any provision to which they refer.
- 1.6 The Key Information for Shared Owners set out in Appendix 3 is for information purposes only and is not to be taken into account in the interpretation of any provision of this Lease.
- 1.7 Unless the contrary intention appears, references:
- (a) to defined terms are references to the relevant defined term in the Particulars and Schedule 10 (*Defined Terms*);
 - (b) to numbered Clauses and Schedules are references to the relevant Clause in, or Schedule to, this Lease; and
 - (c) to a numbered paragraph in any Schedule are references to the relevant paragraph in that Schedule.

- 1.8 Words in this Lease denoting the singular include the plural meaning and vice versa.
- 1.9 References in this Lease to any statutes or statutory instruments include any statute or statutory instrument amending, consolidating or replacing them respectively from time to time in force, and references to a statute include statutory instruments and regulations made pursuant to it.
- 1.10 Words in this Lease importing one gender include both genders, and may be used interchangeably, and words denoting natural persons, where the context allows, include corporations and vice versa.
- 1.11 Words and expressions which appear in the first column of the Particulars, shall in this Lease have the meaning shown opposite them in the second column of the Particulars.
- 1.12 For the purposes of this lease only, references to the landlord and tenant in the Superior Lease shall be read as references to the Landlord and Tenant in this lease and matters in the Superior Lease requiring the consent or approval of the Superior Landlord, shall also require the consent of the Landlord on the same terms

2 THE LETTING TERMS

In consideration of the Premium (receipt of which the Landlord acknowledges), the Specified Rent and the Ground Rent and the Leaseholder's covenants in this Lease the Landlord lets the Premises to the Leaseholder:

- 2.1 with full title guarantee subject as follows:
- 2.1.1 Section 3(1) of the Law of Property (Miscellaneous Provisions) Act 1994 ("the Act") shall not extend to and there shall be excluded therefrom all and any interests which override as defined in Schedule 3 of the Land Registration Act 2002 whether or not the Leaseholder knows about them
- 2.1.2 For the purposes of Section 6(2)(a) of the Act that all matters now recorded in registers open to the public inspection are to be considered within the actual knowledge of the Leaseholder
- 2.1.3 For the purposes of Section 2(1)(b) of the Act the reference to "at his own cost" shall be deemed to be at the cost of the Leaseholder
- 2.2 together with the rights set out in Schedule 3 (*Easements, Rights and Privileges*) and the easements included in the definition of Incorporated Terms and specified in clauses (1) to (3) of the First Schedule of the Superior Lease so long as it subsists or upon merger or upon merger of the Superior Lease such easements as are granted to the Landlord by virtue of any transfer of the freehold

reversion in the form of transfer annexed to the Superior Lease or any reasonable amendment of it providing that any variation shall not diminish or reduce the value or amenity of the Premises and shall in any event include the terms of clause 1-3 of the 1st schedule of the Superior Lease; but

- 2.3 subject to the provisions set out in Schedule 6 (*Staircasing Provisions*); and
- 2.4 excepting and reserving the rights set out in Schedule 4 (*Exceptions and Reservations*) and the easements included in the definition of Incorporated Terms and specified in clauses (1) to (4) in LR11.2 of the Second Schedule of the Superior Lease so long as it subsists;
- 2.5 for the Term;

the Leaseholder paying during the Term the Specified Rent (subject to revision under Schedule 5 (*Rent Review*)) and the Ground Rent by equal monthly payments in advance on the first day of each month, the first payment to be made on the date of this Lease.

3 LEASEHOLDER'S COVENANTS

The Leaseholder covenants with the Landlord as follows.

3.1 Pay rent

To

- 3.1:1 pay the Specified Rent and/or the Ground Rent at the times and in the manner mentioned in Clause 2 (*The Letting Terms*) and all other monies due under this Lease without deduction.
- 3.1:2 To make such payments by bankers standing order or direct debit or such other form of electronic transfer as the Landlord may require.
- 3.1:3 To pay to the Landlord (together with and in the manner as the Specified Rent) such reasonable annual administrative fee as the Landlord shall specify in relation to the computation and calculation of the Specified Rent to be paid by equal monthly payments on the first day of each month, the first payment to be made on the date of this Lease.

3.2 Interest

To pay interest calculated on a day to day basis at an annual rate of 3% above the Base Rate of Barclays Bank PLC for the time being in force on so much of the Specified Rent and/or Ground Rent or any other monies due to the Landlord under this Lease that remain unpaid for a period of 14 days after becoming due for payment.

3.3 Outgoings

- 3.3.1 To pay Outgoings.
- 3.3.2 To refund to the Landlord on demand (where Outgoings relate to the whole or part of the Building or the Estate or other property including the Premises) a fair and proper proportion attributable to the Premises, such proportion to be conclusively determined by the Landlord (who shall act reasonably).

3.4 Repair

To repair and keep the Premises in good and substantial repair and condition (except in respect of damage by risks insured under Clause 5.2 (*Insure*) unless the insurance money is irrecoverable by reason of any act or default of the Leaseholder).

3.5 Decoration

As often as is reasonably necessary and in the last month of the Term in a proper and workmanlike manner (and in the last month of the Term in colours approved by the Landlord) to paint, paper, treat and generally decorate in a style appropriate to property of a like character all the inside of the Premises previously or usually so painted, papered, treated and decorated.

3.6 Provide floor coverings

To provide carpets with good quality underlay or such other suitable floor coverings to all the floors of the Premises excluding bathrooms and kitchens.

3.7 Repair damage to common parts

In respect of any damage or disrepair to the Building Common Parts and/or Estate Common Parts and/or the Estate caused or contributed to by any act, neglect or default of the Leaseholder or the Leaseholder's family, servants or licensees or by any other person under the control of the Leaseholder, at the option of the Landlord, the Leaseholder will on demand indemnify the Landlord in respect of all costs, charges and expenses incurred by the Landlord in repairing, making good, renewing and/or reinstating such damage or disrepair.

3.8 Not to alter

- 3.8.1 Not to:
- (a) make any alterations or additions to the exterior of the Premises;
 - (b) make any structural alterations or structural additions to the interior of the Premises;
 - (c) erect any new buildings on the Premises;

- (d) in any way interfere with the outside of the Building; or
 - (e) remove any of the Landlord's fixtures from the Premises.
- 3.8.2 Not to make any alteration or addition of a non-structural nature to the interior of the Premises without the previous written consent of the Landlord (such consent not to be unreasonably withheld).
- 3.9 **Comply with requirements of public authorities**
- To execute and do at the expense of the Leaseholder all works and things as may at any time during the Term be directed or required by any national or local or other public authority to be executed or done upon or in respect of the Premises or any part of the Premises provided that the Leaseholder shall not be liable by virtue of this Clause 3.9 (*Comply with requirements of public authorities*) to execute or do any works which fall within the scope of Clause 5.3 (*Repair redecorate renew structure*).
- 3.10 **Provide copies of notices**
- Promptly to serve on the Landlord a copy of any notice, order or proposal relating to the Premises and served on the Leaseholder by any national, local or other public authority.
- 3.11 **Expenses of the Landlord**
- To pay all costs, charges and expenses (including solicitors' costs and surveyors' fees) reasonably incurred by the Landlord:
- (a) for the purpose of or incidental to the preparation and service of a notice under section 146 or section 147 of the Law of Property Act 1925 even if forfeiture is avoided otherwise than by relief by the court; or
 - (b) otherwise incurred by the Landlord in respect of any breach of covenant by the Leaseholder under this Lease.
- 3.12 **Obtain consents**
- To obtain all licences, permissions and consents and do all works and things and pay all expenses required or imposed by any existing or future legislation in respect of any works carried out by the Leaseholder on the Premises or any part of the Premises or in respect of any use of the Premises during the Term.
- 3.13 **Landlord's right of inspection and right of repair**
- 3.13.1 To permit the Landlord and its employees or agents at reasonable times to enter the Premises and examine their condition and also to take a schedule of fixtures and fittings in the Premises.

3.13.2 If any breach of covenant, defects, disrepair, removal of fixtures and fittings or unauthorised alterations or additions are found on inspection for which the Leaseholder is liable, then, on notice from the Landlord, to execute to the reasonable satisfaction of the Landlord or the Landlord's surveyor all repairs, works, replacements or removals required within three months (or sooner if necessary) after receipt of notice.

3.13.3 If the Leaseholder fails to comply with a notice under Clause 3.13.2, the Landlord may itself or by its workpeople or agents enter the Premises and execute the repairs, works, replacements or removals.

3.13.4 To pay to the Landlord as a debt on demand all expenses incurred under Clause 3.13.3.

3.14 **Permit entry**

At all reasonable times during the Term on 48 hours' notice (except in the case of an emergency) to permit the Landlord and the lessees of other premises in the Building with work people and others to enter the Premises for the purpose of repairing any adjoining or neighbouring premises and for the purpose of repairing, maintaining and replacing all Service Media or other conveniences belonging to or serving the same, the party so entering making good any damage caused to the Premises.

3.15 **Yield up**

At the expiry or earlier termination of this Lease to quietly yield up the Premises repaired, maintained, cleaned, decorated and kept in accordance with the covenants in this Lease (except in respect of damage by risks insured under Clause 5.2 (*Insure*) unless the insurance money is irrecoverable by reason of any act or default of the Leaseholder).

3.16 **Use**

Not to use the Premises for anything other than as a private residence in single occupation.

3.17 **Restrictions on use**

Not to do any act or thing which may:

- (a) render void or voidable any policy of insurance on the Premises or may cause an increased premium to be payable in respect of the Premises;
- (b) cause or permit to be caused nuisance, annoyance or disturbance to the owners lessees or occupiers of premises in the neighbourhood or visitors to such premises;

- (c) result in any form of harassment or intimidation of any other person, including the Landlord's staff, contractors and agents; or
- (d) result in the use of the Premises for any unlawful or immoral purpose.

3.18 **Alienation**

- 3.18.1 Not to assign, underlet, charge, mortgage, or part with possession of part only of the Premises.
- 3.18.2 Not to underlet or part with possession of the whole of the Premises before Final Staircasing has been accomplished.
- 3.18.3 Not without the prior written consent of the Landlord (such consent not to be unreasonably withheld and which shall be deemed withheld in circumstances where 3.19 is not complied with) to assign the whole of the Premises before Final Staircasing has been accomplished.
- 3.18.4 To procure that any assignee of the whole of the Premises will at its own expense (if the Leaseholder has been required to enter into a Heating Services Agreement prior to the date of the assignment) enter into a Heating Services Agreement prior to the date of the assignment in the same form as that previously entered into with the assignor or in such form as the parties and the Heating Facilities Manager reasonably agree and the Leaseholder shall remain liable on the covenants on behalf of the Leaseholder until the Heating Services Agreement (if any) have been provided by such assignee

3.19 **Pre-emption provisions**

- 3.19.1 Subject to Clause 3.19.5, during the Pre-Emption Period the Leaseholder shall not assign the whole or part of the Premises otherwise than as permitted pursuant to the provisions of Clause 3.19.2 and Clause 3.19.3
- 3.19.2 If the Leaseholder wishes to assign the whole of the Premises during the Pre-Emption Period he shall first serve written notice on the Landlord (such notice to be accompanied with a Valuer's Certificate dated no earlier than 8 weeks before the notice) offering a surrender of this Lease and within 8 weeks of receipt the Landlord may serve written notice on the Leaseholder:
 - (a) declining the offer of a surrender but nominating a purchaser to take an assignment of the whole of the Premises, in which case the provisions of Schedule 7 (*Assignment of whole to Nominated Purchasers*) will apply; or
 - (b) stating that the Landlord will accept a surrender of this Lease, in which case the provisions of Schedule 8 (*Surrender by Leaseholder (Pre-Emption)*) will apply.

3.19.3 If the Landlord does not serve a notice under Clause 3.19.2 within the 8 week period specified in Clause 3.19.2 (as to which time shall be of the essence) the Leaseholder may assign or underlet the whole of the Premises and subject to exchange of contracts (or completion where there is no prior exchange of contracts) for the assignment or underletting taking place within 12 months of service of the Leaseholder's notice pursuant to Clause 3.19.2 provided that if no exchange of contracts or completion has taken place within such 12 month period and the Leaseholder wishes to assign or underlet the whole of the Premises the procedure set out in Clause 3.19.2 and this Clause 3.19.3 shall be repeated.

3.19.4 The Landlord and the Leaseholder shall apply to the Chief Land Registrar to enter a restriction in the following form (Form M) in the proprietorship register of the Leaseholder title:

"No disposition of the registered estate (other than a charge) by the proprietor of the registered estate or by the proprietor of any registered charge not being a charge registered before the entry of this restriction is to be registered without a certificate signed by the proprietor for the time being of the estate registered under title number TGL367020 or their conveyancer that the provisions of Clause 3.19.1 (*Pre-emption provisions*) of the registered lease have been complied with or that they do not apply to the disposition."

3.19.5 Where this Lease is assigned:

- (a) under a will or intestacy;
- (b) under Section 24 or 24A of the Matrimonial Causes Act 1973 or Section 2 of the Inheritance (Provision for Family and Dependents) Act 1975;
- (c) under section 17 of the Matrimonial and Family Proceedings Act 1984 (property adjustment orders or orders for the sale of property after overseas divorce, etc);
- (d) under paragraph 1 of schedule 1 to the Children Act 1989 (orders for financial relief against parents); or
- (e) under Part 2 or 3 of Schedule 5 or paragraph 9 of schedule 7, to the Civil Partnership Act 2004 (property adjustment orders, or orders for the sale of property, in connection with civil partnership proceedings or after overseas dissolution of civil partnership);

the provisions of Clause 3.19.1 to Clause 3.19.3 will not apply PROVIDED that this clause 3.19.5 does not apply while the Original Leaseholder is the Leaseholder under this Lease.

3.19.6 (a) In this Clause 3.19.6 "Trigger Date" shall mean the earlier of (i) the date the Original Leaseholder ceases to occupy the Premises as their main

residence or (i) the date 6 months after the Original Leaseholder dies or where the Original Leaseholder is two or more persons when the last one ceases to occupy the Premises as their main residence or dies.

- (b) The Leaseholder shall notify the Landlord of the Trigger Date within seven days of the Trigger Date occurring and the Leaseholder shall
- (i) make an offer to surrender or assign the Lease to a person nominated by the Landlord in accordance with the provisions of clause 3.19:2; and
 - (ii) if the Landlord fails to accept the surrender offer or if the nominee fails to complete the assignment in accordance with the provisions of schedule 7 the Leaseholder shall effect a Final Staircasing in accordance with the provisions of Schedule 6.

3.20 Register disposals

Within one month of any assignment, underletting, mortgage, charge or other dealing with the Leaseholder's interest in the Premises to give notice of it together with a certified copy of the document effecting the assignment, mortgage, charge, or devolution to the Landlord and to pay a reasonable fee to the Landlord for the registration of the notice.

3.21 Pay Landlord's administration fees

Upon any assignment of the Leaseholder's interest in the Premises to pay to the Landlord all costs charges and expenses incurred by the Landlord for the purpose of or incidental to the assignment such sum not being greater than one per cent (1%) of the Market Value

3.22 Prevent loss of easements

To do such acts and things as may reasonably be required by the Landlord to prevent any easement or right belonging to or used with the Premises from being obstructed or lost and not knowingly to allow any encroachment to be made on or easement acquired over the Premises and in particular not to allow the right of access of light from or over the Premises to any neighbouring property to be acquired.

3.23 Not to commit nuisance etc.

Not to commit on the Property or on any part of the Estate or in the vicinity or neighbourhood of the Property any acts which cause a nuisance or disturbance to any person or any acts of harassment of any person (whether racial sexual or otherwise)

3.24 Heat Installations

Not at any time to repair or maintain or in any way interfere with the meters and the Heat Interface Unit and all distribution pipes, the private wire network consumer interface units radiators, pipes and other heating equipment or other apparatus within the Premises nor (whilst heat is made available to the Leaseholder under the terms of this Lease and/or a Heating Services Agreement) to connect or permit the connection to the national gas network

3.25 Superior Title

To observe and perform the restrictive and other covenants referred to in the Landlord's title so far as the same are now subsisting and affect the Premises and to indemnify the Landlord in respect of any breach thereof

4 LEASEHOLDER'S FURTHER COVENANTS

The Leaseholder covenants with the Landlord and with and for the benefit of the tenants and occupiers from time to time of the other premises in the Building as follows.

4.1 Observe covenants in Schedule 2 (*Mutual Covenants*)

To observe the covenants set out in Schedule 2 (*Mutual Covenants*).

4.2 Comply with Regulations

To comply with such reasonable regulations as the Landlord may make from time to time relating to the orderly and proper use of the Building Common Parts or Estate Common Parts and security of the Building and/or Estate.

4.3 Comply with Incorporated Terms

To comply with obligations contained in the Incorporated Terms so long as the Superior Lease subsists.

5 LANDLORD'S COVENANTS

The Landlord covenants with the Leaseholder as follows.

5.1 Quiet enjoyment

That the Leaseholder paying the rents reserved by this Lease and performing and observing the covenants contained in this Lease may peaceably enjoy the Premises during the Term without any lawful interruption by the Landlord or any person rightfully claiming under or in trust for it.

5.2 Insure

At all times during the Term (unless such insurance shall be cancelled, invalidated or revoked by any act or default of the Leaseholder) to keep the Estate insured against loss or damage by fire and such other risks as the Landlord may from time to time reasonably determine or the Leaseholder or the Leaseholder's mortgagee may reasonably require in some insurance office of repute to its full reinstatement value (including all professional fees in connection with any reinstatement and two years' loss of rent) and whenever required will produce to the Leaseholder the insurance policy and the receipt for the last premium and will in the event of the Building and/or Estate being damaged or destroyed by fire or other risks covered by such insurance as soon as reasonably practicable make a claim against the insurers and lay out the insurance monies in the repair, rebuilding or reinstatement of the Building and/or Estate.

5.3 Repair redecorate renew structure

Subject to Clause 5.5 (*Landlord's Protection Provisions*) and to payment of the Specified Rent and/or Ground Rent and Service Charge, the Landlord shall maintain, repair, redecorate, renew and (in the event in the Landlord's reasonable opinion such works are required) improve:

- (a) the load bearing framework and all other structural parts of the Building, the roof, foundations, joists and external walls of the Building including the main structure of the balconies (if any) and their railings but not the surface of the same and Service Media and machinery and plant within (but not exclusively serving) the Premises and all parts of the Building which are not the responsibility of the Leaseholder under this Lease or of any other leaseholder under a similar lease of other premises in the Building;
- (b) the Service Media, cisterns and tanks and other gas, electrical, drainage, ventilation and water apparatus and machinery in under and upon the Building (except such as serve exclusively an individual flat in the Building and except such as belong to any utility supply authority or company); and
- (c) the Building Common Parts; and
- (d) the Estate Common Parts.

5.4 Lighting and cleaning of Common Parts

Subject to Clause 5.5 (*Landlord's Protection Provisions*) and to Clause 5.3 (*Repair redecorate renew structure*) and so far as practicable to keep the Building Common Parts and the Estate Common Parts adequately cleaned and lighted.

5.5 Landlord's Protection Provisions

- 5.5.1 The Landlord shall not be liable to the Leaseholder for any failure in or interruption of the services referred to in Clause 5.3 (*Repair redecorate renew structure*) or Clause 5.4 (*Lighting and cleaning of Common Parts*) not attributable to its neglect or default.
- 5.5.2 The Landlord may add to, diminish, modify or alter any service referred to in Clause 5.3 (*Repair redecorate renew structure*) or Clause 5.4 (*Lighting and cleaning of Common Parts*) if by reason of any change of circumstances during the Term such addition, diminution or alteration is in the opinion of the Landlord reasonably necessary or desirable in the interests of good estate management or for the benefit of the occupiers of the Building.

5.6 Lettings of other flats

That every lease or tenancy of any flat in the Building granted after the date of this Lease by the Landlord shall contain covenants to be observed by the tenant of that flat similar to those set out in Schedule 2 (*Mutual Covenants*) and (save in the case of any flat which may be let at a rent on a periodic basis or for a fixed term of seven years or less) shall be substantially in the same form as this Lease.

5.7 Enforce covenants in other leases

If so required by the Leaseholder to enforce the tenant's covenants similar to those contained in this Lease which are or may be entered into by the tenants of other flats in the Building so far as they affect the Premises provided that the Leaseholder indemnifies the Landlord against all costs and expenses of such enforcement.

5.8 Pre-emption obligations

That the Landlord will promptly in response to a request from the Leaseholder provide a certificate confirming where applicable that for the purposes of the restriction contained in Clause 3.19.4 the provisions of Clause 3.19 (*Pre-emption provisions*) have either been complied with or do not apply to the disposition.

5.9 Cesser of Liability in respect of covenants

A party who was formerly the Landlord is to cease to be liable to perform and observe the covenants and conditions on the part of the Landlord contained in this Lease at and from the date of an assignment of the immediate reversion to this Lease.

PROVISOS

The parties agree the following provisos.

6.1 Proviso for re-entry

6.1.1 This Clause 6.1 (*Proviso for re-entry*) shall apply where:

- (a) the Specified Rent and/or Ground Rent shall be unpaid for 21 days after becoming payable (whether formally demanded or not); or
- (b) if any covenant on the part of the Leaseholder shall not be performed or observed

6.1.2 Subject to the Landlord obtaining any court order required the Landlord may at any time re-enter the Premises or any part of them and terminate this Lease.

6.1.3 Clause 6.1.2 does not affect any right of action or remedy of the Landlord in respect of any earlier breach of any of the Leaseholder's covenants or the conditions contained in this Lease provided that (without prejudice to the Landlord's rights under this Lease):

- (a) The Landlord shall give notice to the Mortgagee or any mortgagee of the Leaseholder of whom the Landlord has received notice pursuant to Clause 3.20 (*Register disposals*) (as the case may be) before commencing any proceedings for forfeiture of this Lease or proceedings for possession of the Premises; and
- (b) If within a period of 28 days (or within such other period specified in the Landlord's notice as the notice period, if longer) the Mortgagee or such mortgagee of the Leaseholder of whom the Landlord has received notice (as the case may be) indicates in writing to the Landlord that it wishes to remedy such breach, and/or is going to take such action as may be necessary to resolve the problem complained of by the Landlord, the Landlord shall allow 28 days (or such longer time as may be reasonable in view of the nature and extent of the breach) to remedy such breach and take the action necessary to resolve such problem.

6.2 Limitation of Landlord's Liability

The Landlord shall not be liable for any damage suffered by the Leaseholder or any member of the Leaseholder's family or any employee, servant or licensee of the Leaseholder through any defect in any fixture, tank, Service Media, staircase, machinery, apparatus or thing in the Building or the Estate or through the neglect, default or misconduct of any servant employed by the Landlord acting outside the Landlord's instruction in connection with the Building or the Estate or for any damage to the Premises due to the bursting or overflowing of

any tank, boiler or Service Media in the Building or the Estate except insofar as any such liability may be covered by insurance effected by the Landlord.

6.3 **Landlord's power to deal with other Property**

Notwithstanding anything contained in this Lease the Landlord shall have power without obtaining any consent from or making any compensation to the Leaseholder to deal as the Landlord may think fit with any other land, buildings or premises adjoining or near to the Building or Estate and to erect, rebuild or heighten on such other land or premises any buildings whether such buildings shall or shall not affect or diminish the light or air which may now or at any time during the Term be enjoyed by the Leaseholder or other tenants or occupiers of the Premises.

6.4 **Power to alter common parts**

The Landlord shall have power at its discretion to alter the arrangement of the Building Common Parts and/or the Estate Common Parts provided that after such alteration the access to and amenities of the Premises are not substantially less convenient than before.

6.5 **Heating Services**

If and so long as and to the extent that the Leaseholder shall pay the Heating Services Contribution (but without prejudice to any remedy of the Landlord in respect of non-payment thereof) and save for such period(s) as responsibility for their maintenance is transferred to the Heating Facilities Manager who on notice to the Leaseholder by the Landlord shall have entered into a Heating Services Agreement with the Leaseholder the Landlord shall:-

- (a) inspect clean provide maintain replace and renew such of the conduits which provide the Heating Services to the flats provided that in performing its obligations hereunder the Landlord shall be entitled in its reasonable and proper discretion to employ agents contractors or such other persons as the Landlord may from time to time think fit and
- (b) (notwithstanding any obligation of the Landlord expressed or implied herein to provide the Heating Services) the Landlord shall not be liable to the Leaseholder
 - (i) for any interruption in or failure to comply with its obligation because of breakdown works of maintenance repair or renewal or because of shortage of materials government restrictions or damage by fire aircraft storm frost or other inclement conditions or other cause (not necessarily of a like nature) beyond the control of the Landlord and

- (ii) until notice of the defect or want of repair shall have been given to the Landlord or it has otherwise (or should reasonably have) come to the Landlord's attention and a reasonable period of time in which to remedy the same shall have elapsed

6.6 **Party walls**

Every internal wall separating the Premises from any other part of the Building shall be a party wall severed medially.

6.7 **Suspension of rent in case of insured damage**

If the whole or any part of the Premises (or the Building Common Parts or Estate Common Parts necessary for access to it) are destroyed or damaged by fire or any other risks covered by the Landlord's insurance so as to be rendered unfit for use then (unless the insurance money is irrecoverable by reason of any act or default of the Leaseholder) the Specified Rent and/or Ground Rent or a fair proportion of it shall be suspended until the Premises (and the Building Common Parts or Estate Common Parts necessary for access) are again fit for use.

6.8 **Frustration clause**

- 6.8.1 Subject to Clause 6.8.2 in the event of the repair, rebuilding or reinstatement of the Premises being frustrated by any reason beyond the control of the Landlord the Leaseholder will surrender to the Landlord this Lease in consideration of the Landlord paying to the Leaseholder a sum equal to the Acquired Percentage of any insurance monies received by the Landlord in respect of the Premises.
- 6.8.2 If at the time of such frustration (i) there is any Loan outstanding to a Mortgagee of the Premises and (ii) the Unacquired Percentage is greater than nil then the consideration for such surrender shall be the amount referred to in Clause 6.8.1 plus the Mortgage Protection Claim (calculated on the basis that paragraph (h) in the definition of "Loss" in Schedule 10 (*Defined Terms*) is the amount referred to in Clause 6.8.1).
- 6.8.3 Any overpayment of insurance monies shall be a debt due from the Leaseholder to the Landlord and shall be payable on demand.

6.9 **Expert determination**

- 6.9.1 In this Lease, where any issue is required to be dealt with by, or submitted for the determination of, an independent expert, the following provisions of this Clause 6.9 (*Expert determination*) are to apply but, in case of conflict with other provisions specifically relating to expert determination elsewhere in this Lease, those other provisions are to prevail to the extent of the conflict.

- 6.9.2 The expert is to be appointed by the parties jointly, or if they cannot or do not agree on the appointment, appointed by whichever of the following is appropriate:
- (a) the president from time to time of the Royal Institution of Chartered Surveyors; or
 - (b) the president from time to time of the Institute of Chartered Accountants in England and Wales,
- or in either case the duly appointed deputy of the president, or other person authorised by him to make appointments on his behalf.
- 6.9.3 The person so appointed is to:
- (a) act as an expert, and not as an arbitrator; and
 - (b) must afford the parties the opportunity within such a reasonable time limit as he may stipulate to make representations to him (accompanied by professional valuations, reports or other appropriate evidence in the relevant circumstances) and permit each party to make submissions on the representations of the other.
- 6.9.4 Neither the Landlord nor the Leaseholder may without the consent of the other disclose to the expert correspondence or other evidence to which the privilege of non-production ("without prejudice") properly attaches.
- 6.9.5 The fees and expenses of the expert, including the cost of his nomination, are to be borne as the expert may direct (but in the absence of such a direction, by the parties in equal shares), but (unless they otherwise agree) the parties shall bear their own costs with respect to the determination of the issue by the expert.
- 6.9.6 One party may pay the costs required to be borne by another party if they remain unpaid for more than 21 days after they become due and then recover these and any incidental expenses incurred from the other party on demand.
- 6.9.7 If the expert refuses to act, becomes incapable of acting or dies, the Landlord or the Leaseholder may request the appointment of another expert in his stead under Clause 6.9.2.
- 6.9.8 The determination of the independent expert, except in case of manifest error, is to be binding on the Landlord and the Leaseholder.
- 6.10 **Parking**
- 6.10.1 In accordance with the S106 Agreement there is no parking available on the Edmund Street or Notley Street for owners or occupiers of the Premises (unless they are the holder of a disabled persons badge issued pursuant to

Section 21 of the Chronically Sick and Disabled Persons Act 1970) or a parking permit has been issued in accordance with the section 106 Agreement.

- 6.10.2 Owners and Occupiers of the Premises are ineligible to be granted a permit to park a vehicle in a residents' parking bay located in the vicinity of the Estate (unless they are the holder of a disabled persons badge issued pursuant to Section 21 of the Chronically Sick and Disabled Persons Act 1970) or a parking permit has been issued in accordance with the section 106 Agreement.
- 6.10.3 ~~The Leaseholder must ensure that all occupiers are aware of the provisions of clauses 6.10:1 and 6.10:2~~

7 SERVICE CHARGE PROVISIONS

7.1 Covenant to pay

The Leaseholder covenants with the Landlord to pay the Service Charge during the Term by equal payments in advance at the same time and in the same manner in which the Specified Rent and Ground Rent is payable under this Lease.

7.2 When calculated

The Service Provision and the Estate Provision in respect of any Account Year shall be calculated before the beginning of the Account Year and shall be calculated in accordance with Clause 7.3 (*How calculated*).

7.3 How calculated

- 7.3.1 The Service Provision shall consist of a sum comprising the expenditure estimated by the Authorised Person as likely to be incurred in the Account Year by the Landlord for the matters specified in Clause 7.4 (*Service Provision*) together with:
- (a) an appropriate amount as a reserve for or towards the matters specified in Clause 7.4 (*Service Provision*) as are likely to give rise to expenditure after such Account Year being matters which are likely to arise either only once during the then unexpired term of this Lease or at intervals of more than one year including (without limitation) such matters as the decoration of the exterior of the Building (the said amount to be calculated in a manner which will ensure as far as is reasonably possible that the Service Provision shall not fluctuate unduly from year to year); but
 - (b) reduced by any unexpended reserve already made pursuant to Clause 7.3.1(a).

7.3.2 The Estate Provision shall consist of a sum comprising the expenditure estimated by the Authorised Person as likely to be incurred in the Account Year by the Landlord for the matters specified in Clause 7.5 (*Estate Provision*) together with:

- (a) an appropriate amount as a reserve for or towards the matters specified in Clause 7.5 (*Estate Provision*) as are likely to give rise to expenditure after such Account Year being matters which are likely to arise either only once during the then unexpired term of this Lease or at intervals of more than one year including (without limitation) such matters as the decoration of the exterior of the Building (the said amount to be calculated in a manner which will ensure as far as is reasonably possible that the Estate Provision shall not fluctuate unduly from year to year); but
- (b) reduced by any unexpended reserve already made pursuant to Clause 7.3.2(a).

7.4 **Service Provision**

The relevant expenditure to be included in the Service Provision shall comprise all expenditure reasonably incurred by the Landlord in connection with the repair, management, maintenance and provision of services for the Building and shall include in so far as such do not form part of the Estate Provision (without prejudice to the generality of the foregoing):

- (a) the costs of and incidental to the performance of the Landlord's covenants contained in Clause 5.2 (*Insure*) and Clause 5.3 (*Repair redecorate renew structure*) and Clause 5.4 (*Lighting and cleaning of Common Parts*);
- (b) the costs of and incidental to compliance by the Landlord with every notice, regulation or order of any competent local or other authority in respect of the Building (which shall include compliance with all relevant statutory requirements);
- (c) all reasonable fees, charges and expenses payable to the Authorised Person any solicitor, accountant, surveyor, valuer, architect or other person whom the Landlord may from time to time reasonably employ in connection with the management or maintenance of the Building including the computation and collection of rent (but not including fees, charges or expenses in connection with the effecting of any letting or sale of any premises) including the cost of preparation of the account of the Service Charge and if any such work shall be undertaken by an employee of the Landlord then a reasonable allowance for the Landlord for such work;

- (d) any Outgoings assessed, charged, imposed or payable on or in respect of the whole of the Building or in the whole or any part of the Building Common Parts; and
- (e) any administrative charges incurred by or on behalf of the Landlord including but not limited to:
 - (i) the grant of approvals under this Lease or applications for such approvals;
 - (ii) the provision of information or documents by or on behalf of the Landlord;
 - (iii) costs arising from non-payment of a sum due to the Landlord; and/or
 - (iv) costs arising in connection with a breach (or alleged breach) of this Lease.
- (f) any interest paid or other costs incurred on money borrowed by the Landlord to repay any expenses incurred in connection with the repair management maintenance and provision of services for the Building
- (g) the costs of repairing maintaining managing and renewing any part of the Building including the Building Common Parts and keeping the same adequately cleaned and lighted
- (h) the costs of renewing maintaining and repairing all access systems and controls to the Building
- (i) the cost of repairing maintaining and renewing all fire fighting equipment and complying with the reasonable requirements of the fire officer or the insurers
- (j) the cost of repairing maintaining and renewing the bin stores and all equipment reasonably required for the collection storage and removal of refuse
- (k) the cost of providing appropriate furniture and equipment in the Building Common Parts
- (l) if individual occupiers are not separately assessed or charged for the same the cost of supplying water and drainage services
- (m) the cost of supplying heating and hot water services and the cost of repairing maintaining and renewing the heating and hot water systems
- (n) the cost of maintaining repairing and replacing any communal television aerial

- (o) the cost of providing operating maintaining renewing and replacing any CCTV system or any reasonably equivalent security device
- (p) any contribution paid towards the cost of repairing or maintaining any area or facility used in common with others
- (q) the cost of inspecting repairing maintaining cleaning replacing and renewing any Service Media and other services and facilities which serve the Premises in common with the Building
- (r) the cost of providing such staff for the servicing management and security of the Building as the Landlord shall reasonably consider necessary including the cost of benefits in kind and the rent or (where no rent is payable by the Landlord) a notional rent (not exceeding current market rent) for any premises provided rent free for such person's residence
- (s) the cost of insuring against liability to anyone entering the Building Common Parts and
- (t) the cost of insuring against employers liability in connection with the Building (including the acts neglect or default of the Landlord its servants or agents)
- (u) the cost of any other reasonable service produced by the Landlord in accordance with the principle of good estate management

7.5 Estate Provision

The relevant expenditure to be included in the Estate Provision shall comprise:-

- 7.5.1 all expenditure reasonably incurred by the Landlord in connection with the repair management maintenance and provision of services for the Estate and shall include in so far as such do not form part of the Service Provision (without prejudice to the generality of the foregoing):
 - (a) the costs of and incidental to the performance of the Landlord's covenants contained in Clause 5.2 (*Insure*) and Clause 5.3 (*Repair redecorate renew structure*) and Clause 5.4 (*Lighting and cleaning of Common Parts*);
 - (b) the costs of and incidental to compliance by the Landlord with every notice, regulation or order of any competent local or other authority in respect of the Estate (which shall include compliance with all relevant statutory requirements);
 - (c) all reasonable fees, charges and expenses payable to the Authorised Person any solicitor, accountant, surveyor, valuer, architect or other

person whom the Landlord may from time to time reasonably employ in connection with the management or maintenance of the Estate including the computation and collection of rent (but not including fees, charges or expenses in connection with the effecting of any letting or sale of any premises) including the cost of preparation of the account of the Service Charge and if any such work shall be undertaken by an employee of the Landlord then a reasonable allowance for the Landlord for such work;

- (d) any Outgoings assessed, charged, imposed or payable on or in respect of the whole of the Estate or in respect of the whole or any part of the Estate Common Parts; and
- (e) any administrative charges incurred by or on behalf of the Landlord including but not limited to:
 - (i) the grant of approvals under this Lease or applications for such approvals;
 - (ii) the provision of information or documents by or on behalf of the Landlord;
 - (iii) costs arising from non-payment of a sum due to the Landlord; and/or
 - (iv) costs arising in connection with a breach (or alleged breach) of this Lease.
- (f) any interest paid or other costs incurred on money borrowed by the Landlord to repay any expenses incurred in connection with the repair management maintenance and provision of services for the Estate

7.5.2 the costs of and incidental to:

- (a) the cost of repairing maintaining managing and renewing any part of the Estate including the Estate Common Parts and keeping the same adequately cleaned and lighted
- (b) the costs of renewing maintaining and repairing all access systems and controls to the Estate
- (c) the cost of any other reasonable service produced by the Landlord in accordance with the principle of good estate management
- (d) the costs of repairing maintaining managing and renewing any part of the Estate Common Parts including surfacing the parking spaces in the car park area

- (e) the cost of repairing maintaining and renewing the bin stores and all equipment reasonably required for the collection storage and removal of refuse
 - (f) the cost of providing appropriate furniture and equipment in the Estate Common Parts
 - (g) the cost of providing operating maintaining and renewing or replacing any CCTV system or any reasonably equivalent security device
 - (h) any contribution paid towards the cost of repairing or maintaining any area or facility used in common with others
 - (i) the cost of any other reasonable service produced by the Landlord in accordance with the principle of good estate management
 - (j) the proper service charge or other payments made by the Landlord under the Superior Lease
 - (k) the cost of enforcing any of the covenants on the part of the Landlord under the Superior Lease
 - (l) insuring against liability to anyone entering the Estate Common Parts or the grounds of the Estate and insuring against employers liability in connection with the Estate including the acts neglect or default of the Landlord its servants or agents
 - (m) (save for such period(s) as responsibility for the maintenance of the Heating Services is vested with the Heating Facilities Manager) the reasonable and proper cost of supplying Heating Services (and shall be deemed to include not only those expenses and outgoings which have actually been paid or incurred by the Landlord during the term in question but also such reasonable proportion of expenses and outgoings of a periodically recurring nature (whether recurring regularly or irregularly) whenever paid or incurred (whether prior to the commencement of the Term or otherwise) including a sum or sums by way of reasonable provision for anticipated expenditure as the Landlord may in its discretion allocate to the year in question as being fair and reasonable in the circumstances) but excludes (for the avoidance of doubt) the initial capital cost of constructing and commissioning the heating system and its related Conduits
- 7.5.3 the costs of and incidental to maintaining repairing renewing and cleaning any building property or Service Media situate on the Estate or any other property of which the benefit is shared by the occupiers of the Estate and/or occupiers of other property

7.6 Adjustment to actual expenditure

As soon as practicable after the end of each Account Year the Landlord shall determine and certify the amount by which the estimate referred to in Clause 7.3 (*How calculated*) shall have exceeded or fallen short of the actual expenditure in the Account Year and shall supply the Leaseholder with a copy of the certificate and the Leaseholder shall be allowed or (as the case may be) shall pay immediately following receipt of the certificate the Specified Proportion and/or the Estate Proportion (as the case may be) of the excess or the deficiency.

7.7 Landlord to contribute to reserve in respect of unlet parts

The Landlord will for the period that any flats in the Building are not let on terms making the tenant liable to pay a service charge corresponding to the Service Charge payable under this Lease provide in respect of all such flats a sum equal to the total that would be payable by the tenants of such flats by way of contribution to the reserve referred to in Clauses 7.3.1(a) and 7.3.2(a) and the said reserve shall be calculated accordingly.

7.8 Declaration re Landlord and Tenant Act 1985

The parties agree that that the provisions of sections 18 to 30B of the Landlord and Tenant Act 1985 and of Part V of the Landlord and Tenant Act 1987 all of which regulate service charges shall apply to the provisions of this Lease.

8 MORTGAGE PROTECTION

- 8.1 If a Mortgagee enforces its security in respect of the Loan then (subject to the other provisions of this Clause 8 (*Mortgage protection*)) the Mortgagee is entitled to deduct the amount of the Mortgagee Protection Claim from monies that would otherwise be paid to the Landlord as the price for the Final Staircasing. There is no obligation on a Mortgagee to accomplish Final Staircasing.
- 8.2 The deduction under Clause 8.1 is conditional upon the Mortgagee agreeing simultaneously with the deduction under Clause 8.1 that upon such deduction or, if later, promptly upon the Mortgagee recovering the whole of its Loss, the Mortgagee shall assign to the Landlord any guarantees, insurance policies and any other collateral security given to the Mortgagee or secured by the Mortgagee in respect of the Loan together with all other rights to enforce the same and all sums payable under them.
- 8.3 A claim may only be made to the extent:
 - (a) the Mortgagee has made a Loss; and

- (b) the Mortgagee has obtained the Landlord's consent to the terms of each and every Loan; and
 - (c) the disposal of the Leaseholder's interest in the Premises was made on an arm's length basis at the best price reasonably obtainable in the market at the time of sale. For the purpose of this Clause 8.3(c) the onus of proof is on the Landlord to show the sale was at an undervalue; and
 - (d) the Leaseholder has not, prior to any default occurring under the Loan, accomplished Final Staircasing.
- 8.4 When applying for the Landlord's consent under Clause 8.3(b) the Mortgagee must provide full details of the terms of the proposed Loan. The Landlord must respond promptly to any request for consent and give its decision within 28 days. If such consent is given it must be given in writing, and must be retained by the Mortgagee. In addition such consent shall be deemed to be given in the event that the Landlord receives any amounts advanced by the Mortgagee which are applied in protecting, preserving or enforcing its security over this Lease (including any amounts advanced by the Mortgagee and applied in discharging any arrears of rent and/or Service Charge under this Lease).
- 8.5 If the Landlord makes a payment to the Mortgagee or a deduction is made by the Mortgagee the Landlord shall be entitled to claim against the Leaseholder for any such amount together with interest on such sum calculated in accordance with the provisions of Clause 5.2 (*Interest*).
- 8.6 The Leaseholder hereby authorises:
- (a) the Landlord to disclose to any Mortgagee of the Leaseholder from time to time personal information relating to the Leaseholder or to the provisions of this Lease (including details of any rent or service charge arrears); and
 - (b) any Mortgagee from time to time of the Leaseholder to disclose to the Landlord such information as the Landlord may request regarding the Leaseholder and the Loan (including details of any arrears).

9 NOTICES

For the purposes of Section 48 of the Landlord and Tenant Act 1987 the address at which any notices (including notices in any proceedings) may be served on the Landlord by the Leaseholder is (until the Leaseholder is notified to the contrary) the registered office. A notice to be served under this Lease shall be served in writing and shall be properly served if served upon the Landlord at its registered office and/or upon the Leaseholder at the Premises and shall be deemed to have been made or delivered if left at such address or

two days after being posted postage prepaid and by first class recorded delivery in an envelope addressed to them at such address.

10 **LANDLORD AND TENANT (COVENANTS) ACT 1995 DECLARATION**

For the purposes of the Landlord and Tenant (Covenants) Act 1995 the covenants on the part of the Landlord and on the part of the Leaseholder under this Lease are not personal covenants.

11 **VALUE ADDED TAX**

Sums payable under this Lease for the supply of goods and services are exclusive of value added tax which is to be payable, if applicable, in respect of and at the same time as each sum falls due for payment.

12 **[STAMP DUTY CERTIFICATE AS SHARED OWNERSHIP]**

For the purposes of paragraph 4 of schedule 9 of the Finance Act 2003 the Landlord and the Leaseholder confirm that the premium obtainable on the open market for the Premises (by reference to which the Premium is calculated) is the Initial Market Value and the minimum rent payable is the Minimum Rent and that the Leaseholder intends stamp duty land tax to be charged in accordance with the said paragraph 4 of schedule 9 by reference to the Initial Market Value and the Minimum Rent.]

Delivered as a deed on the date of this document.

CONFIDENTIAL

Schedule 1

The Premises

- 1 Plot number [●] on the [] floor of the Building which is shown edged red [*and numbered [] together with the balcony edged [blue]*] on the [Plan(s)] and is known as [] [Barrett Court/Hodgkin Court/Leigh Court/Palfrey Court [1/2 Dobson Walk/1 Sam King Walk/59/74 Edmund Street] London SE5 [7FL][7FN][7FP/7NR]]
- 2 The Premises include:
- (a) the inside and outside of the windows and other lights and the frames, glass, equipment and fitments relating to windows and lights of the Premises;
 - (b) the doors, door frames, equipment, fitments and any glass relating to the doors of the Premises;
 - (c) the internal plaster or other surfaces of load bearing walls and columns within the Premises and of walls which form boundaries of the Premises;
 - (d) non-load bearing walls completely within the Premises;
 - (e) the flooring, raised floors and floor screeds down to the joists or other structural parts supporting the flooring of the Premises;
 - (f) the plaster or other surfaces of the ceilings and false ceilings within the Premises and the voids between the ceilings and false ceilings;
 - (g) the Service Media within and exclusively serving the Premises;
 - (h) appurtenances, fixtures, fittings and rights granted by this Lease; and
 - (i) *the balcony and/or terrace including the tiled surface of the balcony and/or terrace and the privacy screen (if any) separating the balcony/terrace from the adjoining balcony/terrace and the glazed balustrade (if any)*
- and improvements and additions made to, and fixtures, fittings and appurtenances in, the Premises.
- 3 The Premises do not include:
- (a) the load bearing framework and all other structural parts of the Building;
 - (b) the roof, foundations, joists and external walls of the Building; and

- (c) Service Media and machinery and plant within (but not exclusively serving) the Premises

[(d) the structure and railings of the balcony/terrace/garden (if any).]¹

Schedule 2

Mutual Covenants

- 1 Not to use the Premises nor permit the Premises to be used for:
 - (a) any purpose other than as a private residence in single occupation only; or
 - (b) any purpose from which a nuisance can arise to the owners, lessees or occupiers of the other premises in the Building or of the premises in the neighbourhood.
- 2 Not to do or permit to be done by any members of the Leaseholder's household or visitors any act or thing which may:
 - (a) render void or voidable any policy of insurance on the Building or Estate or may cause an increased premium to be payable;
 - (b) cause or permit to be caused nuisance, annoyance or disturbance to the owners lessees or occupiers of premises in the neighbourhood or visitors to the neighbourhood;
 - (c) result in any form of harassment or intimidation of any other person, including the Landlord's staff, contractors and agents; or
 - (d) result in the use of the Premises for any unlawful or immoral purpose.
- 3 Not to do or permit to be done anything which may cause obstruction in or interference with any of the Service Media in the Building or Estate.
- 4 Not to do or permit to be done anything which may cause obstruction in any of the pipes or drains in the Building or Estate.
- 5 Not (except with previous written permission of the Landlord which permission may be revoked at any time without any reason being given for revocation) to keep or allow to be kept any animal reptile or bird in the Premises
- 6 No musical instrument television radio loudspeaker or mechanical or other noise making instrument of any kind shall be played or used and no singing shall be practised in the Premises:-

¹ Delete is not applicable

(a) so as to cause annoyance to the owner tenants and occupiers of any other flats in the Building; or

(b) or so as to be audible outside the Premises

7

(a) Not to use any balcony or terrace for any purpose other than quiet relaxation

(b) Not to use any barbeques open fire containers candles or other things with a naked flame on any balcony or terrace

(c) Not to place on or affix to or otherwise use on any balcony anything which would or could affect the structural integrity of the balcony or Building

8 Not to erect install or place on or at the Premises any external satellite dish aerial or other means of receiving satellite signals or any other external aerials

9 No trade profession nor any noisy or obnoxious activity or business shall be carried on upon the Premises or any part thereof

10 Not to store trade or business materials or produce in the Premises

11 Not to place or display outside the Premises or inside the Premises as to be visible from the outside any offensive poster notice advertisement name or sign

12 No shed outhouse wireless or advertisement board or hoarding or any other structure of any kind whether temporary or permanent shall be erected on the Premises or the Building or the Estate

13 Not to sell or suffer to be sold any wines spirits or intoxicating liquors of any kind on the Premises or any part thereof nor to do or keep or suffer to be done or kept thereon any act or thing which may be or become a nuisance or annoyance or cause inconvenience to the Landlord or to the occupiers or owners of adjoining or neighbouring property or which may tend to lessen or depreciate the value of the Premises or the Building or the Estate or other property in the neighbourhood

14 Not to hold or permit or cause to be held a sale by auction on the Premises

15 Not to obstruct the access of light or air to any building adjoining the Premises by erecting or altering any building or other structure on the Premises

16 Not to use any electrical device without an effective suppressor being fitted thereto

17 Not to leave any vehicle bicycle tricycle perambulator toy motor car or other object or thing on any part of the Building Common Parts or Estate Common

- Parts so as to cause a nuisance annoyance or inconvenience to the owners and occupiers of the Building or the Estate
- 18 Not to suffer or permit any mat carpet or similar articles to be shaken or beaten at any time out of the windows of the Building
 - 19 Not to deposit any dust or rubbish anywhere in the Building or on the Estate other than in a refuse bin which shall be kept at all times in the space provided and nowhere else or by using the communal refuse facilities
 - 20 Not to hang or expose or permit to be hung or exposed any washing or clothing or materials on any part of the Premises so as to be visible from the outside
 - 21 At all times to keep tidy the appearance of all windows of the Premises and to keep the same suitably curtained and to clean the surfaces of the same at least once a month
 - 22 Not to install or suffer to be installed any machinery on the Premises which shall be noisy or cause dangerous vibration or be a nuisance to the Landlord or the owners or lessees or occupiers of the nearby premises
 - 23 Not to keep or bring in the Building or on the Estate any petrol oil liquid petroleum gas or other combustible dangerous or offensive substance or goods
 - 24
 - (a) To pay for all electricity and gas and all other services consumed in the Premises
 - (b) To comply with all requirements and regulations of the gas electricity water and telephone supply authorities concerning the service installations in the Premises
 - (c) Not to alter or extend the electrical installation or wiring and any gas installation and piping in the Premises
 - (d) Not to use any apparatus which overloads the electrical installation in the Premises and to ensure that the electrical installation and any gas installation is maintained in a safe condition
 - (e) If required by the Landlord to pay the heating and hot water supply costs by a pre-payment meter or direct to the supplier appointed by the Landlord
 - 25 Not to overload the floors or structure of the Premises
 - 26 Not to use or permit or suffer to be used any parts of the Building Common Parts or Estate Common Parts consisting of open space and or amenity or play areas except for recreational purposes:-

- (a) except in accordance with regulations made by the Landlord from time to time relating to the user of such areas;
 - (b) except between the hours of 8am and 8pm only; and
 - (c) no ball games at any time shall be permitted therein here
- 27 To maintain the boundary walls or fences marked 'T' (if any) on the Plan
- 28 To maintain and keep in good repair and order the garden or patio area (if any) forming part of the Premises

Schedule 3

Easements, Rights and Privileges

- 1 The right for the Leaseholder and all persons authorised by the Leaseholder (in common with all other persons entitled to the like right) at all times to use the Building Common Parts and the Estate Common Parts for all purposes incidental to the occupation and enjoyment of the Premises (but not further or otherwise).
- 2 The right to subjacent and lateral support and to shelter and protection from the other parts of the Building or the Estate.
- 3 The free and uninterrupted passage and running of water, steam, soil, air, gas, electricity and telephone communications from and to the Premises through the Service Media which now are or may at any time during the Term be in, under or passing through the Building or the Estate or any part of it.
- 4 The right for the Leaseholder with workmen and others at all reasonable times on notice (except in the case of emergency) to enter upon other parts of the Building or the Estate:
 - (a) for the purpose of repairing, cleansing, maintaining or renewing any Service Media; or
 - (b) for the purpose of repairing, maintaining, renewing or rebuilding the Premises or any part of the Building or the Estate giving subjacent or lateral support shelter or protection to the Premises,

causing as little disturbance as possible and making good any damage caused.
- 5 The right to connect a television set in the Premises with any communal aerial system provided in the Building for the time being
- 6 A right on a first come first serve basis to park a single bicycle in the cycle racks (if any) within the Building Common Parts or Estate Common Parts

Schedule 4

Exceptions and Reservations

There are excepted and reserved out of this Lease to the Landlord and the lessees of the other premises comprised in the Building:

- (a) easements rights and privileges over along and through the Premises equivalent to those set forth in Schedule 3 (*Easements, Rights and Privileges*) paragraph 2, paragraph 3 and paragraph 4.
- (b) the right for the Landlord and its surveyors or agents with or without workmen and others at all reasonable times on notice (except in case of emergency) to enter the Premises for the purpose of carrying out its obligations under this Lease.
- (c) All easements or rights of light and air or other easements or rights which (but for these present reservations) would restrict or interfere with the free use of any adjoining or neighbouring land and premises now or formerly within the ownership of the Landlord or subsequently acquired or amalgamated therewith for building or any other purposes and the Leaseholder shall not become entitled to any such easements or rights in respect of the Premises.
- (d) The rights in relation to the Heating Services as more particularly described in Schedule 9
- (e) (Insofar as the Heating Facilities Manager is not supplying the Heating Services under a Heating Services Agreement) the right for the Landlord to supply the Heating Services upon reasonable terms

Schedule 5

Rent Review

1 Definitions

In this Schedule 5 (*Rent Review*):

“A” means the monthly figure shown in the Index published for the September in the year immediately preceding the Relevant Month or (if none) in the year of the date of the Commencement Date.

“B” means the monthly figure shown in the edition of the Index for the Relevant Month.

“Index” means the all items retail prices index published by the Office for National Statistics.

“Relevant Month” means the September which is at least two clear calendar months and no more than 14 clear calendar months before the Relevant Review Date.

2 Gross Rent review

With effect from each Review Date the Gross Rent for the purposes of this Lease shall be the reviewed Gross Rent (as agreed or determined in accordance with this Schedule 5 (*Rent Review*)).

3 Upwards only rent review

- (a) The reviewed Gross Rent is to be the greater of:
 - (i) the Gross Rent under this Lease immediately preceding the Relevant Review Date x 1.005; and
 - (ii) (the Gross Rent under this Lease immediately preceding the Relevant Review Date x($\frac{B}{A}$) + 0.005).
- (b) If the Index is re-based after A is published, but before B is published, then an appropriate adjustment shall be made in the calculation to ensure that both B and A are calculated on the same basis.
- (c) If the Index ceases to be published then there shall be substituted in the calculation in paragraph 3(a)(ii) such other index as the Landlord shall (acting reasonably) determine as being a generally respected measure of the general increase in retail prices.

- (d) If, because of any change after the date of this Lease in the method used to compile the Index or for any other reason it becomes impossible or impracticable to calculate fairly the fraction referred to in paragraph 3(a)(ii) by reference to the Index, or if any dispute or question arises between the parties to this Lease with respect to any such calculation pursuant to paragraph 3(a)(ii) or with respect to the construction or effect of this provision, then such dispute or question shall (if it is not resolved within 3 months of the Relevant Review Date) be referred to an independent expert pursuant to Clause 6.9 (*Expert determination*).

4 Specified Rent Review

With effect from each Review Date the Specified Rent reserved under this Lease shall be reviewed to an amount equal to the Unacquired Percentage of the Gross Rent as at that Review Date as agreed or determined in accordance with the terms of this Schedule.

5 Time

Whilst the parties are encouraged to act promptly and reasonably in order to resolve disputes as soon as possible, in agreeing or determining the reviewed Gross Rent, the reviewed Specified Rent or in appointing an expert, no rights or obligations are extinguished by the passage of time.

6 Rental Adjustments

- (a) If the reviewed Specified Rent payable from a Review Date is not agreed or determined in accordance with the provisions of this Schedule 5 (*Rent Review*) before the Relevant Review Date, then until the reviewed Specified Rent has been so agreed or determined, the Leaseholder will continue to pay on account Specified Rent at the rate payable immediately before the Relevant Review Date.
- (b) Within 14 days after the time that the reviewed Specified Rent has been agreed or determined the Leaseholder will pay to the Landlord all arrears of the reviewed Specified Rent which have accrued in the meantime, with interest equal to the base rate of Barclays Bank PLC on each of the instalments of the arrears from the time that it would have become due if the reviewed rent had then been agreed or determined until payment becomes due from the Leaseholder to the Landlord under this paragraph 6(b).

7 Notice of Review

Immediately following each Review Date the Landlord shall serve written notice on the Leaseholder, substantially in the form set out in Appendix 2 specifying the amount of the reviewed Gross Rent and the amount of the Specified Rent then payable.

Schedule 6

Staircasing Provisions

1

- (a) At any time or times during the Term the Leaseholder may serve notice in writing on the Landlord stating the Portioned Percentage he proposes to acquire. The provisions of this Schedule 6 (*Staircasing Provisions*) shall also be exercisable by any mortgagee of the Leaseholder of whom the Landlord has received proper notice pursuant to Clause 3.20 (*Register disposals*).
- (b) The Landlord shall apply to the Valuer to determine the Market Value as at the date of service of the Leaseholder's notice served pursuant to paragraph 1(a) (upon which the price of acquisition will be based) within 14 days of receipt of the Leaseholder's notice (or, if later, within 14 days of the Valuer's appointment) and shall notify the Leaseholder of the amount of the Valuer's determination in writing within 7 days of receipt of the said determination.
- (c) At any time within 3 months of the Valuer's determination the Leaseholder may pay for a Portioned Percentage in accordance with the provisions of paragraph 1(d).
- (d) The Leaseholder may pay for a Portioned Percentage by paying to the Landlord a sum equal to that Portioned Percentage of Market Value (as agreed or determined under this Schedule 6 (*Staircasing Provisions*)) plus any unpaid sums under paragraph 1(e) and as from the date of such payment (a) the Portioned Percentage so acquired shall form part of the Acquired Percentage and (b) the Specified Rent payable under this Lease shall be a sum equal to the Unacquired Percentage of the Gross Rent.
- (e) On completion of the payment for a Portioned Percentage in addition to the sum or the price payable for the Portioned Percentage the Leaseholder shall pay any arrears of rent and any other sums due to the Landlord under this Lease including any unpaid costs under paragraph 2(a). The Landlord and the Leaseholder shall, save as provided in paragraph 2(a) pay their own costs and expenses in connection with such payment or purchase.
- (f) Whenever the Leaseholder completes the payment for a Portioned Percentage the Landlord and the Leaseholder shall forthwith execute and deliver to the other (to be attached to the original and counterpart of this Lease) a memorandum substantially in the form set out in Appendix 1 specifying the Portioned Percentage paid for and the Specified Rent then payable.
- (g) If the provisions of this Schedule 6 (*Staircasing Provisions*) are exercised by any mortgagee under paragraph 1(a) then provided that the Premises are being sold by the mortgagee on an arm's length basis at the best price reasonably obtainable at the time of sale:

- (i) the Market Value shall be deemed to be the price at which the Premises are being sold by the mortgagee on the assumption that the Unacquired Percentage is nil;
 - (ii) the relevant Portioned Percentage shall be calculated on the basis of that deemed Market Value; and
 - (iii) if so requested by the mortgagee, the Landlord shall co-operate with the mortgagee to ensure that there occurs simultaneously (A) the payment to the Landlord of the relevant Portioned Percentage under paragraph 1(d), (B) delivery by the Landlord to the mortgagee of the memorandum under paragraph 1(f), and (C) completion of the sale of the Premises by the mortgagee.
- 2 Upon payment of the sum referred to in paragraph 1(d) in circumstances where the Acquired Percentage has become 100%:
- (a) the definition of "Acquired Percentage" shall be amended to mean a 100% percentage interest in the Premises;
 - (b) the Specified Rent shall be reduced to the Minimum Rent; and
 - (c) the following provisions of this Lease shall no longer have effect:
 - (i) Definition of "Default" "Enforcement Date" "Final Staircasing" "Loss" "Mortgagee Protection Claim" "Payment Sum" "Portioned Percentage", "Pre-emption Period" "Unacquired Percentage", "Valuer" and "Valuer's Certificate";
 - (ii) Clause 3.18.2;
 - (iii) Clause 3.19
 - (iv) Clause 5.8
 - (v) Clause 8 (*Mortgage protection*);
 - (vi) Schedule 5 (*Rent Review*);
 - (vii) this Schedule 6 (*Staircasing Provisions*) (except this paragraph 2)
 - (viii) Schedule 7 (*Assignment of whole to Nominated Purchasers*); and
 - (ix) Schedule 8 (*Surrender by Leaseholder (Pre-emption)*)
- 3 The costs of any determination by the Valuer pursuant to the provisions of this Schedule 6 (*Staircasing Provisions*) shall be paid by the Leaseholder to the Landlord on demand.

- 4 The parties agree that the decision of the Valuer shall be final and binding on the parties to this Lease.

Schedule 7

Assignment of whole to Nominated Purchasers

- 1 If the Landlord serves notice on the Leaseholder pursuant to Clause 3.19.2(a) the Leaseholder shall as soon as reasonably practicable make an offer to the Landlord's nominee on the terms mentioned in paragraph 2 and paragraph 3.
- 2 The Leaseholder's offer shall be an unconditional written offer to sell the Premises with vacant possession and free from encumbrances (except any which may affect the Premises at the time of the grant of this Lease) and to remain open for acceptance for a period of six weeks and to stipulate a completion date not earlier than four weeks after acceptance of the offer and otherwise the offer to be subject to current Law Society Standard Conditions of Sale.
- 3 The price at which such offer shall be made shall be the Acquired Percentage of the open market value of the Premises with vacant possession assessed as at the date of the Landlord's notice served under the provisions of Clause 3.19.2(a) in accordance with any relevant guidance notes on the valuation of land and buildings for the time being in force of the Royal Institution of Chartered Surveyors by an independent qualified valuer (acting as an expert) who is an associate or a fellow of the Royal Institution of Chartered Surveyors or the Incorporated Society of Valuers and Auctioneers and whose appointment shall be agreed between the Landlord and the Leaseholder or failing agreement on the application of either party by the president for the time being of the Royal Institution of Chartered Surveyors whose decision shall be final and binding on the Landlord and the Leaseholder but whose costs and expenses shall be borne by the Leaseholder.
- 4 If an offer is made to the Landlord's nominee pursuant to paragraph 2 and paragraph 3 and is refused or the said nominee does not accept the offer within the six week period specified in paragraph 2 or does not enter into a binding contract for purchase within the four week period specified in paragraph 2 then the Leaseholder may assign the whole of the Premises subject to exchange of contracts (or completion where there is no prior exchange of contracts) for the assignment taking place within 12 months of the date of the Leaseholder's offer made pursuant to paragraph 2 and paragraph 3 provided that if no exchange of contracts is effected within such 12 month period and the Leaseholder wishes to assign the whole of the Premises the procedure set out in Clause 3.19.2 and Clause 3.19.3 shall be repeated.

Schedule 8

Surrender by Leaseholder (Pre-emption)

- 1 If the Landlord serves notice on the Leaseholder pursuant to Clause 3.19.2(b) completion of the surrender to the Landlord shall take place and vacant possession shall be given on a date agreed between the Landlord and the Leaseholder but failing agreement on the date four weeks from the date the Payment Sum is determined.
- 2 The Landlord shall be entitled to deduct from the Payment Sum such sums as may be due and owing at the date of surrender in respect of arrears of rents and other sums due under this Lease.
- 3 If before the date of surrender of this Lease the Landlord has received notice pursuant to Clause 3.20 (*Register disposals*) of a mortgage or charge of this Lease:
 - (a) the Landlord shall (and the Leaseholder irrevocably requests and directs the Landlord to do so) pay the Payment Sum less the deductions referred to in paragraph 2 (or (if less) such sufficient part thereof as is necessary to discharge the said mortgage or charge) to the mortgagee or chargee named in the said notice upon trust for the Leaseholder;
 - (b) the receipt of the said mortgagee or chargee shall absolutely discharge the Landlord from its obligations under this Schedule 8 (*Surrender by Leaseholder (Pre-emption)*);
 - (c) the Landlord and the Leaseholder agree that completion of the surrender cannot take place until the Payment Sum (or such part as is sufficient to discharge the said mortgage or legal charge) is paid to the mortgagee or chargee to the intent that the security afforded to the mortgagee or chargee by this Lease shall not lapse until the Payment Sum or a sufficient part of it as is necessary to discharge the said mortgage or charge is paid to the mortgagee; and
 - (d) if at the time of such surrender under this Schedule 8 (*Surrender by Leaseholder (Pre-emption)*) (i) there is any Loan outstanding to a Mortgagee of the Premises and (ii) the Unacquired Percentage is greater than nil then the consideration for such surrender shall be the Payment Sum plus the Mortgage Protection Claim (calculated on the basis that paragraph (h) in the definition of "Loss" is the Payment Sum in Schedule 10 (*Defined Terms*)).
- 4 Save as otherwise provided any costs incurred by either party pursuant to the provisions of this Schedule 8 (*Surrender by Leaseholder (Pre-emption)*) shall be borne by that party

Schedule 9

Heating Services

Part 1 – the Services

- 1 The Heating Services shall include
 - 1.1 the maintenance repair replacement and renewal of all or part of the equipment and apparatus and conducting media and conduits associated with the Heating Services
 - 1.2 the usage recoverable through metering or monitoring which will be payable quarterly by direct debit or by such other method and at such other intervals as shall be decided by the Landlord or the Heating Facilities Manager
 - 1.3 a standing charge which may include maintenance
 - 1.4 collection of charges and associated billing costs

Part 2 – Rights and Reservations

- 2 The following rights and easements are excepted and reserved to the Landlord and/or the Heating Facilities Manager and the providers of the Heating Services and all others authorised by any of them from time to time or otherwise entitled thereto
 - 2.1 the right (subject to reasonable prior written notice to the Leaseholder of its intention to exercise the rights of entry) to install connect into use operate test maintain clean repair alter remove and replace any and all conduits within the Premises and (if required by the Landlord or Heating Facilities Manager) the installation of a pre-payment meter
 - 2.2 the right to enter the Premises at all reasonable times (subject to at least 24 hours prior written notice to the Leaseholder of its intention to exercise the rights of entry) for installation connection inspection testing maintenance cleaning alteration repair removal and replacement of any and all conduits within the Premises
- 3 In exercising the above rights the person so exercising the rights shall cause as little inconvenience and damage as reasonably possible and shall without delay make good all damage thereby occasioned to the reasonable satisfaction of the Leaseholder at the cost of those exercising the rights
- 4 For the avoidance of doubt the providers of the Heating Services and/or the Heating Facilities Manager shall have the right to enforce the provisions of this Schedule under the Contracts (Rights of Third Parties) Act 1999

Schedule 10

Defined Terms

In this Lease:

"Account Year" means a year ending on 31 March or such other date as the Landlord may stipulate from time to time.

"Acquired Percentage" means the percentage figure equal to the aggregate of the Initial Percentage and any Portioned Percentage or Portioned Percentages paid for pursuant to Schedule 6 (*Staircasing Provisions*).

"Authorised Person" means the individual nominated by the Landlord to estimate expenditure in relation to the Service provision in accordance with Clause 7.3 (*How calculated*).

"Building" means the building on the estate of which the Premises form part and each and every part of the Building and **[communal garden]² [service or loading area, bicycle store(s) bin store(s)]** and any other areas the use and enjoyment of which is appurtenant to the Building, whether or not within the structure of the Building.

"Building Common Parts" means (in so far as the same do not fall within the curtilage of any plot on the Building) **[the entrance landings storerooms hallways lifts staircases]** and other parts (if any) of the Building which are intended to be or are capable of being enjoyed or used by the Leaseholder in common with others on the Building.

"Default" means:

- (a) the existence of arrears of at least 3 months' payments in respect of the Loan; or
- (b) any other breach by the Leaseholder of the terms applicable to the Loan.

"Enforcement Date" means the date on which the Mortgagee commences its enforcement of any of the security for the Loan by reason of a Default.

"Estate" means the land comprised in the title number and shown edged with a heavy black line on block location plan on the attached plan and includes Building and Estate Common Parts.

² Blocks 4, 5 and 6 only

"Estate Common Parts" means (in so far as the same are not adopted or do not fall within the curtilage of any plot on the Estate) any accessways roadways footpaths and forecourts bicycle store(s) bin store(s) landscaped areas or facilities made erected or constructed on the Estate which are intended to be or are capable of being enjoyed or used by the Leaseholder in common with others on the Estate.

"the Estate Provision" means the sum calculated in accordance with Clause 7.3 (*How calculated*), Clause 7.5 (*Estate Provision*) and Clause 7.6 (*Adjustment to actual expenditure*).

"Final Staircasing" means the purchase by the Leaseholder from the Landlord of such Portioned Percentage that reduces the Unacquired Percentage to nil.

"Heat Interface Unit" means each unit within the heat interface unit casing including all heat exchanges pumps valves and controls used to transfer heat from the heat installations to each premises internal heating and hot water system and the heat meters included in such casing, together with the separate room control unit, incorporating the integral room thermostat and time clock

"Heating Facilities Manager" means such body as may from time to time be appointed by or on behalf of the Landlord for the provision of Heating Services (which expression where the context so admits includes the Heating Facilities Manager's successors or assigns)

"Heating Services" means the provision of heating and hot water to the Premises as more particularly described in Part 1 of Schedule 6

"Heating Services Agreement" means the agreement entered into between the Leaseholder (or its successors in title) and the Heating Facilities Manager in respect of the provision of the Heating Services

"Heating Services Contribution" means a fair and reasonable proportion of the costs incurred by or on behalf of the Heating Facilities Manager or (if there is no Heating Facilities Manager) the Landlord in respect of the provision of the Heating Services

"Incorporated Terms" means all of the terms, requirements, covenants and conditions contained in the Superior Lease except to the extent that they are inconsistent with the clauses written in this lease and with such modifications as are necessary to make them applicable to this lease and the parties to this lease including:

- 1.1 the definitions and rules of interpretation in the Superior Lease;
- 1.2 the obligations to be observed by the Landlord (as tenant under the Superior Lease) except those specifically excluded in part (b) below;
- 1.3 the agreements and declarations contained in the Superior Lease;

1.4 the rights granted and reserved by the Superior Lease (including the right of re-entry and forfeiture); and

1.5 the third party rights, restrictions and covenants affecting the Property;

but excluding:

1.6 the term granted by the Superior Lease;

1.7 the obligations on the Landlord (as tenant under the Superior Lease) to pay to the Superior Landlord the Superior Rent, reserved by the Superior Lease;

1.8 the Superior Landlord's covenants; and

1.9 any other terms of the Superior Lease which are specifically excluded by the terms of this lease or substituted by the terms of this lease.

"Landlord" includes all persons from time to time entitled to the immediate reversion to this Lease.

"Lease" includes any documents supplemental to this Lease.

"Leaseholder" includes the Leaseholder's successors in title and assigns in whom this Lease may for the time being be vested.

"Loan" means the loans made by the Mortgagee to the Leaseholder (after first obtaining the Landlord's written consent to each and all such loans) and which loans are secured by a valid and binding first ranking mortgage over the Premises. For the purposes of this definition repayments of capital shall not reduce the Loan.

"Loss" means the amount by which the aggregate of:

- (a) a sum representing the Loan advanced for the purchase of the Initial Percentage share in the Premises;
- (b) the Loan made (if any) to accomplish Final Staircasing in the Premises as part of the enforcement process or as a result of further Loan being made;
- (c) Loans for other sums in relation to the Premises or any other purpose;
- (d) interest accruing at the rate applicable to the Loan;
- (e) costs incurred in relation to the enforcement of the Loan or any security for it (including advances to cover arrears of rent and service charges) provided that costs of actual disposal shall not exceed 3% of Market Value at the time;

- (f) costs incurred in relation to the protection or preservation of the Loan or any security for it; and
 - (g) any other sums due to the Mortgagee in respect of the Loan made to the Leaseholder,
- (less any repayments which have been made), exceeds the aggregate of:
- (h) the gross sale proceeds to be received from a disposal (including a surrender) of the Leaseholders interest in the Premises; and
 - (i) all amounts (if any) received by the Mortgagee as a result of the enforcement by the Mortgagee of all (if any) security which the Mortgagee may have including, without limitation, all security, guarantees and insurance policies given to the Mortgagee.

"Market Value" shall at the date of this Lease mean the Initial Market Value and shall at any subsequent date mean the price which the interest of the Leaseholder would then fetch if sold on the open market by a willing seller upon the terms and conditions contained in this Lease and on the assumption that the Unacquired Percentage is nil and disregarding the following matters:

- (a) any mortgage of the Leaseholder's interest;
- (b) any interest in or right over the Premises created by the Leaseholder;
- (c) any improvement made by the Leaseholder or any predecessor in title of his; and
- (d) any failure by the Leaseholder or any predecessor in title to carry out the obligations contained in Clause 3.4 (*Repair*) and Clause 3.5 (*Decoration*);

"Minimum Rent" means One peppercorn per month (if demanded).

"Mortgagee" means a lender who shall have made available to the Leaseholder a Loan (which expression includes its successors and assigns and also any persons for whom the Mortgagee is acting as agent or trustee).

"Mortgagee Protection Claim" means the Loss capped at a maximum of the aggregate of:

- (a) an amount equivalent to interest on the Loan for a period of 18 months from the Enforcement Date at the interest rate applicable to the Loan immediately before the Enforcement Date;
- (b) the Loan;

- (c) any amounts advanced by the Mortgagee and applied in discharging any arrears of rent and/or Service Charge under this Lease; and
- (d) any costs and fees incurred in enforcing the Mortgagee's security for the Loan (capped at 3% of Market Value at the time of such enforcement).

"Original Leaseholder" is the person (or persons) who is named as the Tenant in Land Registry prescribed clause LR3 in this Lease.

"Outgoings" means (in relation to the Premises) all existing and future rates, taxes, charges, assessments, impositions and outgoings whatsoever (whether parliamentary or local) which are now or may at any time be payable, charged or assessed on property, or the owner or occupier of property.

"Particulars" means the Particulars set out in this Lease.

"Payment Sum" means the sum equal to a the Acquired Percentage of the Market Value of the Premises as at a date no more than eight weeks prior to either the date of exchange of contracts for the assignment or the date of surrender of this Lease (as the case may be) assessed by a Valuer on the instruction of the Leaseholder provided that in assessing the Market Value the Valuer shall not disregard the matters referred to in paragraph (c) and paragraph (d) of the definition of "Market Value".

"the Plans" means the plans annexed to this Lease.

"Portioned Percentage" means at any relevant time (including for the avoidance of doubt on the Final Staircasing) the percentage interest in the Premises which the Leaseholder proposes to acquire (or has already acquired) under the provisions of Schedule 6 (*Staircasing Provisions*), being a portion of the then Market Value of the Premises up to a maximum of 100%, each Portioned Percentage being at least 10%, and so that the Portioned Percentage which accomplishes Final Staircasing shall be at least 10%.

"Pre-emption Period" means the period commencing on the Commencement Date and ending on the date of Final Staircasing.

"Premises" means the premises described in Schedule 1 (*The Premises*).

"Section 106 Agreement" means the section 106 agreement dated 22 March 2012 between The Mayor and Burgesses of the London Borough of Southwark (1) Notting Hill Home Ownership Limited (2)

"Service Media" means drains, sewers, conduits, flues, gutters, gullies, channels, ducts, shafts, watercourses, pipes, cables, wires, mains, electrical risers, aerials and any other conducting media.

"Service Charge" means the aggregate of the Specified Proportion of the Service Provision and the Estate Proportion of the Estate Provision.

"Service Provision" means the sum calculated in accordance with Clause 7.3 (*How calculated*), Clause 7.4 (*Service Provision*) and Clause 7.6 (*Adjustment to actual expenditure*).

"Standard Conditions of Sale" means the Standard Conditions of Sale (Fourth Edition).

"Superior Landlord" means the Landlord for the time being of the Superior Lease.

"Superior Landlord" means the landlord for the time being of the Superior Lease.

"Superior Landlord's Covenants" means the obligations in the Superior Lease to be observed by the Superior Landlord.

"Superior Lease" means the lease by virtue of which the Landlord holds the Property, which is dated 13 July 2012 and made between The Mayor and Burgesses of the London Borough of Southwark (1) and the Landlord (2) and any documents made supplemental to it.

"Superior Rent" means the rent payable by the Landlord under clause 2(i) of the Superior Lease.

"the Surveyor" means the Landlord's professionally qualified surveyor and may be a person in the employ of the Landlord.

"Term" means the term of 99 years from and including the Commencement Date.

"Unacquired Percentage" shall mean the percentage figure equal to 100% less the Acquired Percentage.

"Valuer" means an independent expert who is an associate or fellow of the Royal Institution of Chartered Surveyors agreed between the Landlord and the Leaseholder or in default of agreement appointed on the application of either Landlord or Leaseholder by or on behalf of the president of the Royal Institution of Chartered Surveyors.

"Valuer's Certificate" means a written certificate from an associate or fellow of the Royal Institution of Chartered Surveyors confirming the amount of the Payment Sum.

EXECUTION PAGE

Executed as a Deed by affixing)
the COMMON SEAL of the LANDLORD)
in the presence of:-)

Authorised Signatory

Secretary

SIGNED as a Deed by the)
LEASEHOLDER in the presence of:-)

Witness Signature

Witness Name

Witness Address

CONFIDENTIAL

Appendix 1
Memorandum of Staircasing
(Number [•])

Premises :

Date of Lease :

Leaseholder :

Landlord :

THIS IS TO RECORD THE FOLLOWING:

On the day of 20 on the payment of £[•] (the "Premium") being [•] % of the Market Value of the Premises as assessed by the Valuer on the 20 the Leaseholder purchased a Portioned Percentage of [•] %.

The total share in the Premises now owned by the Leaseholder is [•] %.

The Specified Rent (the rent payable) as from the day of 20 (date of payment of the Premium) is £[•] per annum (subject to review).

Signed by the Leaseholder/for and on behalf of the Landlord.

Appendix 2

Example of Notice of Rent Increase

To: Leaseholder

[insert details of the Premises] ("the Premises")

The next Rent Review Date under your shared ownership lease of the Premises is [•] [20 •]. The rent which you currently pay is [•] per month.

The rent which you must pay on and after [•] [20 •] is [•] per month.

The new figure of [•] per month is calculated as follows:

- RPI Index for [•] [20 •] was [•] (this was the Index on which the rent review in [•] [20 •] was based);
- The Gross Rent fixed at the rent review in [•] [20 •] was [•] per month;
- RPI Index for [•] [20 •] is [•] (this is the Index on which the rent review in [•] [20 •] is being based);
- The reviewed Gross Rent as at [•] [20 •] is therefore [•] per month being: (£[•]
$$\times \left(\frac{[•]}{[•]} \right) + 0.005 \right)$$

But because your share of the Premises is currently [•%] and our share is [•%], the rent which you must actually pay is only [•%] of [£•], which is the sum of [£•] per month.

WORKED EXAMPLE:

Assumptions

The notice set out below would have been given in relation to a rent review in November 2012 in the following circumstances:

- The Lease had Rent Review Dates on 30 November 2011 and 2012;
- As at November 2012, the Leaseholder's share in the Premises was 45%;
- The Gross Rent in November 2011 had been £100 per month (based on the RPI in September 2011), and so the actual rent payable would have been £55 per month (being 55% of £100).
- The RPI was 237.9 in September 2011, and 244.2 in September 2012.

Worked Example Notice

The next Rent Review Date under your shared ownership lease of the Premises is [30 November 2012]. The rent which you currently pay is [£55.00] per month.

The rent which you must pay on and after [30 November 2012] is [£56.73] per month.

The new figure of [£56.73] per month is calculated as follows:

- RPI Index for [September 2011] was [237.9] (this was the Index on which the rent review in [November 2011] was based);
- The Gross Rent fixed at the rent review in November 2011 was [£100.00] per month;
- RPI Index for [September 2012] is [244.2] (this is the Index on which the rent review in [November 2012] is being based);
- The reviewed Gross Rent as at [30 November 2012] is therefore [£103.15] per month being: (£100 $\times \left(\frac{244.2}{237.9} \right) + 0.005 \right)$

But because your share of the Premises is currently [45%] and our share is [55%], the rent which you must actually pay is only [55%] of [£103.15], which is the sum of [£56.73] per month.

CONFIDENTIAL

Appendix 3 Key Information for Shared Owners

This note is intended as a brief guide for Leaseholders (i.e. shared owners) of the key provisions of the Shared Ownership Lease.

All Leaseholders should carefully consider the terms of this note and the attached lease and discuss any issues that arise with his or her solicitor before entering into the lease.

1 HOW DOES SHARED OWNERSHIP WORK?

Under a shared ownership lease, the Leaseholder buys a 'share' of the property and pays rent on the remaining share of the property (which remains in the ownership of the Landlord).

The Leaseholder can buy further shares in the property (at the market value of those shares at the time of purchase), until he or she owns 100%. Buying further shares is referred to as 'staircasing'.

As the Leaseholder buys further shares, the rent will be reduced proportionately to reflect the fact that the Landlord's interest in the property has reduced.

2 STANDARD LEASE OBLIGATIONS

Although initially the property is not owned outright, the Leaseholder does have the normal responsibilities of a full owner. This means, for example, that the Leaseholder will be obliged to pay 100% of the outgoings relating to the property and to keep the property in good and substantial repair and condition.

The lease also contains other 'standard' obligations on the Leaseholder. For example, the Leaseholder will:

- if applicable, need to contribute towards the costs incurred by the Landlord in providing services (sometimes known as service charges);
- need to seek the Landlord's consent before making certain alterations; and
- comply with regulations relating to the management of the building or the estate of which the property forms part.

3 RENT REVIEW

The rent will be reviewed periodically at the times set out in the lease. Typically, the rent will be reviewed every year. The reviewed rent will be increased in line with any proportionate increases in the retail prices index (RPI).

The rent will be reviewed on an 'upwards only' basis. This means that the level of rent will not go down when it is reviewed. However, any increase in the rent will be capped at a figure representing the RPI increase plus 0.5%. This means that where the RPI is zero or negative the most the rent can increase by is 0.5%.

A worked example demonstrating how the rent is recalculated at review is set out in Appendix 2 of the lease.

4 DISPOSALS OF OR DEALINGS WITH THE PROPERTY

Subject to the Landlord's Right of First Refusal, referred to in paragraph 5 below, the Leaseholders ability to sell or otherwise dispose of or deal with the property can be summarised as follows:

Assignment or Transfer

If the Leaseholder assigns or transfers the lease before he or she staircases to 100%, the consent of the Landlord must be obtained. Such consent is not required once the Leaseholder has staircased to 100%.

Sub-letting

The Leaseholder is not permitted to sub-let or part with possession of the property in any other way until the Leaseholder staircases to 100% ownership of the property.

5 LANDLORD'S RIGHT OF FIRST REFUSAL

With a view to ensuring that the property remains in the ownership of people in need of shared ownership units there are restrictions on the transfer, assignment and subletting of the Property. The restrictions apply from the date that the lease is granted up to the expiry of the period of 21 years from the date that the Leaseholder staircases to 100%.

If the Leaseholder gives the Landlord notice that he or she wishes to sell his or her interest in the lease, the Landlord can require the Leaseholder either to surrender (or hand back) the lease to the Landlord or assign the lease to a person nominated by the Landlord, in both cases the price will be no more than the market value of the Leaseholder's share of the property).

The Landlord's right of first refusal does not apply if the lease is transferred or assigned as a result of the divorce or death of the Leaseholder.

6 MORTGAGEE PROTECTION PROVISIONS

Loans from banks and building societies to Leaseholders would often require Leaseholders to take out mortgage indemnity insurance or other forms of additional security which would increase the expense to the Leaseholder of acquiring a shared ownership interest in the property. So with the aim of cutting down or avoiding such expense arising (so that mortgage indemnity insurance is not required and encouraging banks and building societies to lend the shared owners), the Landlord agrees that if the Leaseholder defaults the Landlord will compensate the Lender for some part of any loss incurred if the proceeds from the sale of the Leaseholder's share of the property are insufficient. For this reason the Leaseholder's lender will need to obtain the consent of the Landlord to the terms of the Leaseholder's mortgage.

If the Landlord has to cover some of the mortgage debt in this way the Leaseholder will become liable to pay the Landlord back. In such cases the Landlord will be able to pursue the Leaseholder to recover its loss and may also enforce any other security guarantees or insurance that were originally granted to the Lender.

To assist the Landlord and the Lender in operating these compensation provisions, by signing the lease the Leaseholder authorises the Landlord and

the Lender to exchange personal information relating to the Leaseholder in relation to various matters, including the terms of the lease, details of any arrears and any loan secured against the property.

7 **IMPORTANT NOTICE REGARDING PAYMENT OF THE RENT AND LEASE OBLIGATIONS**

You need to be aware that if the Leaseholder fails to pay the rent reserved by the Lease and/or fails to observe and perform his or her obligations in the Lease the Landlord may be entitled to terminate the lease (subject to the Landlord obtaining any necessary court order). If the lease is terminated the Leaseholder will lose (and will not be entitled to any compensation for), any shares in the property which he or she had acquired.

8 **VARIATIONS TO THE STANDARD FORM LEASE**

Paragraphs 1 to 7 above summarise the key terms of the standard form Shared Ownership Lease issued by the Homes and Communities Agency.

The Landlord summarises below the terms of the lease that materially depart from the standard form:

[•]

This guidance note does not form part of the Lease and is not to be taken into account in the interpretation of any provision in the Lease. It is important that the Leaseholder gets legal advice before entering into the Lease.

DATED

20(**)

- (1) Notting Hill Home Ownership Limited
(2) *[(The Leaseholder)]*

DEED OF VARIATION

relating to lease of

[] [Barrett Court/Hodgkin Court/Leigh Court/
Palfrey Court/Sunset Buildings]
[Dobson Walk/Sam King Walk/Edmund Street]

London

SE5 [7FL][7FN][7FP/7NR]
(Plot [] Block [])



ORRICK, HERRINGTON & SUTCLIFFE (EUROPE) LLP
LONDON

Aylesbury Estate concession specified rent
OHS Master #59074306 v10

Ref: SFH/100009.7265

OHSEUROPE:552740028

DEED OF VARIATION

DATED: 201

THE LANDLORD	NOTTING HILL HOME OWNERSHIP LIMITED whose registered office is at Bruce Kenrick House 2 Killick Street London N1 9FL
THE LEASEHOLDER	

THE LEASE

Date	Parties	Property	Term
	The Landlord (1) The Leaseholder (2)	[] [Barrett Court/Hodgkin Court/Leigh Court/ Palfrey Court/Sunset Buildings] [Dobson Walk/Sam King Walk/ Edmund Street] London SE5 [7FL][7FN][7FP/7NR] (Plot [] Block [])	99 years from 1 October 2014

1. INTERPRETATION

In this Deed all words and expressions commencing with capital letters and not defined in this clause 1 have the meanings specified in the Lease and where the context admits:-

- 1.1 "Concessionary Specified Rent" the sum of one peppercorn per month (if demanded)
- 1.2 "Expiry Date" means the earliest of the following dates:-
 - 1.2:1 the date of completion of an assignment of the Lease
 - 1.2:2 the first date when the Leaseholder ceases to occupy the Property as their main residence and
 - 1.2:3 six months after the death of the Leaseholder
- 1.3 "Full Specified Rent" means the Specified Rent which would have been payable under the Lease had this Deed not been completed
- 1.4 "the Lease" means the lease of which short particulars are set out above

2. RECITALS

- 2.1 This Deed is supplemental to the Lease
- 2.2 Nothing in this Deed confers any right upon any person pursuant to the Contracts (Rights of Third Parties) Act 1999
- 2.3 The Concession in this Deed is for the benefit of the Leaseholder only and shall not apply to successors in title or those claiming title from the Leaseholder including (for the avoidance of doubt) any mortgagee or chargee of the Leaseholder
- 2.4 In addition to the Concession in this Deed as part of the transaction the Leaseholder agrees to make an offer to the Landlord to surrender or assign the Lease when the Expiry Date occurs in accordance with Clause 3.19:6 of the Lease

3. VARIATION OF LEASE

It is agreed that:-

- 3.1 subject to clause 3.3 the Lease shall be varied so that from and including the date of this Deed until but not including the Expiry Date the Specified Rent shall be the Concessionary Specified Rent and (for the avoidance of doubt) from and including the Expiry Date the Specified Rent shall be the Full Specified Rent
- 3.2 for the purpose of determining the minimum Specified Rent payable from such Review Date under paragraph 3 of Schedule 5 to the Lease the Specified Rent payable immediately before the relevant Review Date shall be deemed to be the Full Specified Rent and not the Concessionary Specified Rent

4. CONFIDENTIALITY

- 4.1 The Leaseholder agrees not to disclose the provisions of this Deed to anyone other than:-
 - 4.1:1 to a professional adviser who owes and shall be required to retain a duty of confidentiality to the Leaseholder or
 - 4.1:2 in order to comply with an enforceable obligation of an interested public body
- 4.2 The Leaseholder shall be in breach of the provisions of clause [4.1] if the Landlord produces written evidence to the Leaseholder that somebody has knowledge of this Deed and the Leaseholder fails to prove to the reasonable satisfaction of the Landlord and within a reasonable time that such knowledge is not the result of a disclosure either by the Leaseholder in breach of clause [4.1] or by a professional adviser of the Leaseholder
- 4.3 The Leaseholder shall not register this Deed at nor produce a copy to the Land Registry

5. **[COSTS**

Upon completion of this Deed the Leaseholder shall pay the Landlord's solicitors' proper charges in connection with the preparation and completion of this Deed and the Counterpart]

EXECUTED AS A DEED and delivered on but not before the date inserted at the beginning of this Deed

Executed as a Deed by affixing

the COMMON SEAL of

NOTTING HILL HOME OWNERSHIP

LIMITED in the presence of:

Authorised Signatory

Secretary

EXECUTED as a Deed by

[

]

in the presence of:

Signature of Witness

Full name

Address

Occupation

SAK 4 - Schedule of offers from Southwark Council and its regeneration partners - 4

Provider	No of Bedrooms	Property	Price	Service Charge	Ground rate per year	% owned	mortgage	Offer accepted	Projected 5 year major works
S. Agnes Kabuto	3 Bedroom	148 Chartridge – SE17	£300,000 + 10%	£2,059.83 2016/2017	£10.00	100	0	Own Property	N/A
Southwark Council	2 bedroom	Atkinson House – SE17 1QU Offer September 2016	£375,000.00	1,915.77	£200.00	70% £ 259,278.80	I am 60 Cannot afford required mortgage to staircase to 100%	Not wheelchair accessible, wood worm and condition of the property	£ 6,510.00
Southwark Council	2 bedroom	13 Hemp Walk – SE17 1PF 23 rd June 20017	£425,000	1863.72	£200.00	70% £297,500.00	I am 60 Cannot afford required mortgage to staircase to 100%	Not wheelchair accessible and needed upgrading, the kitchen was small and would be worse off in the long run	£5,834.00

Provider	No of Bedrooms	Property	Price	Service Charge	Ground rate per year	% owned	mortgage	Offer accepted	Projected 5 year major works
S. Agnes Kabuto	3 Bedroom	148 Chartridge – SE17	£230,000 + 10%	£2378.39 (including Major Works)	£10.00	100	0	Own Property	N/A
L&Q	2 Bedroom	27 Harry Court August 2016	£575,000	£2603.76	£100.00	44% Agnes (£253,000) 31%Southwark (£178,250) 25% L&Q (£143,750)	Cannot afford required mortgage to staircase to 100%	Not wheelchair accessible and would be worse off in terms of Service Charges, Ground rent and water rates and this property would be owned by 3 owners. (Myself, the council and L&Q.) I would be liable for full-service charges though I only owned a %	£15 monthly water standing charges even when I do not use water £15.00 x12 = £180 + £461.40 normal charges to Thames Water = £641.40. My current water charges are £461.40 per annum Sinking Fund
NHHT	3 Bedroom	4 Barrett Court – SE5 4 th September 2015	£520,000	£2424	£350	45% £234,000	Cannot afford required mortgage to staircase to 100%	Not wheelchair accessible and offer fell through to constrained time limits to find a cheap Conveyance Lawyer + paying into a sinking fund. New builds should be covered under 10-year warranty	High service charge, Council Tax

Ms. Sanyu Agnes Kabuto – 148 Chartridge, Westmoreland Road, London – SE17 2DA - 301017