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Title Number BK475227

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Dated 16 December 2015

Lease of

Plot 10 44 Finchampstead Road, Wokingham RG40 2NN

First Alliance Properties (Fareham Reach No 3) LLP

44 Finchampstead Road Management Limited and

Susan Anne Steers

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PRESCRIBED CLAUSES

LR1. Date of lease

DATED 16 December 2015

LR2. Title number(s)

LR2.1 Landlord's title number(s)

BK283464

LR2.2 Other title numbers

None

LR3. Parties to this Lease

Landlord

FIRST ALLIANCE PROPERTIES (FAREHAM REACH NO 3) LLP

22 Grosvenor Square, London W1K 6DT

CRN OC320130

Tenant

SUSAN ANNE STEERS of 34 Barkham Ride, Finchampstead, Wokingham, Berkshire, United Kingdom, RG40 4EU

Other parties

ROAD 
44 FINCHAMPSTEAD MANAGEMENT LIMITED

22 Grosvenor Square, London W1K 6DT

CRN 09358866

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.

See the definition of "Property" in clause 1.1 of and The Property to this Lease.

LR5. Prescribed statements etc.

None.

LR6. Term for which the Property is leased

The term as specified in this Lease at clause 1.1 in the definition of "Term".

LR7. Premium

The Lessor has received from the Lessee for the Property the sum of £325000.00 .

LR8. Prohibitions or restrictions on disposing of this Lease

This Lease contains a provision that prohibits or restricts dispositions.

LR9. Rights of acquisition etc.

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

None.

LR9.2 Tenant's covenant to (or offer to) surrender this Lease

None.

LR9.3 Landlord's contractual rights to acquire this Lease

None.

LR10. Restrictive covenants given in this Lease by the Landlord in respect of land other than the Property

None.

LR11. Easements

LR11.1 Easements granted by this Lease for the benefit of the Property

The easements granted in clause 3.1 and set out in The Rights of this Lease.

LR11.2 Easements granted or reserved by this Lease over the Property for the benefit of other property

The easements reserved in clause 4 and set out in The Reservations to this Lease.

LR12. Estate rentcharge burdening the Property

None.

LR13. Application for standard form of restriction

The parties to this Lease hereby apply to the Chief Land Registrar to enter restrictions on the register of the title to this Lease in the following terms:-

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge not being a charge shall be registered without a certificate signed by 44 Finchampstead Road Management Company Limited (CRN 09358866) or their conveyancer that the provisions of paragraph 9.4 of Schedule 4 to the Registered Lease have been complied with"

and

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge not being a charge shall be registered without a certificate signed by the registered proprietor of the land and buildings registered under title number BK283464 or their conveyancer that the provisions of paragraph 9.4 of Schedule 4 to the Registered Lease have been complied with"

LR14. Declaration of trust where there is more than one person comprising the Tenant

[The Tenant is more than one person. They are to hold the Property on trust for themselves as joint tenants.]

[The Tenant is more than one person. They are to hold the Property on trust for themselves as tenants in common in equal shares.]

[The Tenant is more than one person. They are to hold the Property on trust.]

THIS LEASE is made on 16 December 2015

BETWEEN:

- (1) FIRST ALLIANCE PROPERTIES (FAREHAM REACH NO 3) LLP incorporated and registered in England and Wales with number OC320130 whose registered office is at 22 Grosvenor Square, London W1K 6DT ("Landlord");
- (2) 44 FINCHAMPSTEAD ROAD MANAGEMENT LIMITED incorporated and registered in England and Wales with company number 09358866 whose registered office is at 22 Grosvenor Square, London W1K 6DT ("Management Company"); and
- (3) SUSAN ANNE STEERS of 34 Barkham Ride, Finchampstead, Wokingham, Berkshire, United Kingdom, RG40 4EU ("Tenant").

BACKGROUND:

- (A) The Landlord is registered at Land Registry as proprietor with Absolute Freehold Title of the Building.
- (B) The Landlord has agreed to grant a lease of the Property to the Tenant on the terms set out in this Lease.
- (C) The Management Company has agreed to join in this Lease and undertake obligations for the services repair maintenance insurance and management of the Building as set out in this Lease.

NOW IT IS AGREED as follows:

1. INTERPRETATION

1.1 The definitions and rules of interpretation in this clause apply to this Lease.

"Bicycle Spaces" the bicycle spaces shown shaded purpose on Plan 4 or such other bicycle parking areas as may be designated from time to time by the Landlord or Management Company.

"Building" the land and building known as 44 Finchampstead Road, Wokingham RG40 2NN registered at Land Registry with title number BK283464 shown edged in red on Plan 2;

"Common Parts" (a) the front door, entrance hall, passages, staircases and landings of the Building; and
(b) the external paths, driveways, yard, staircases, garden and Refuse Area at the Building

that are not part of the Property or the Flats and which are intended to be used by the tenants and occupiers of the Building;

"Conditions for Entry" the conditions to which any right to enter granted in The Rights or excepted and reserved by The Reservations is subject, namely that the right shall be subject to the person exercising the right:

(a) effecting entry at a reasonable time (or at any time in an emergency);

	<ul style="list-style-type: none"> (b) giving reasonable notice to the person whose premises are being entered (except in the case of emergency when no notice is required); (c) causing as little damage as possible to the premises being entered and promptly making good any damage caused to the reasonable satisfaction of the person whose premises are being entered; and (d) complying with any reasonable requirements of the person whose premises are being entered in relation to the exercise of the right of entry.
"Deed of Covenant"	a duly executed and completed deed of covenant entered into by an assignee pursuant to paragraph 9.4.4 of Schedule 4 in such form as the Landlord and Management Company require and providing that the assignee covenants to observe and perform the Tenant's covenants given in this Lease;
"Default Interest Rate"	4% above the base rate from time to time of Barclays Bank PLC or, if that base rate is no longer used or published, a comparable commercial rate reasonably determined by the Landlord;
"Designated Parking Space"	the Parking Space(s) shown shaded blue and numbered 10 on Plan 3 and/or Plan 4 subject to the proviso at paragraph 3.1.3 of Schedule 2
"Excluded Areas"	those parts of the Common Parts shown shaded orange on Plan 3 and/or Plan 4 or such other part or parts of the Common Parts which the Landlord or Management Company may reasonably designate from time to time as excluded from Tenants rights of access;
"Flats"	any premises forming part of the Building that are capable of being let and occupied as a single private dwelling (except the Property and the Retained Parts);
"Flat Tenants"	the tenants for the time being of the Flats which are let on leases granted for an original term of over 21 years;
"Handover Date"	the date of completion of the Management Company Lease
"Insurance Rent"	<ul style="list-style-type: none"> (a) a fair and reasonable proportion determined by the Landlord of the cost of any premiums (including any IPT) that the Landlord (or, after the Handover Date, the Management Company) (as appropriate) expends and any fees and other expenses that the Landlord or the Management Company (as appropriate) reasonably incurs, in effecting and maintaining insurance of the Building in accordance in with the obligations contained in this Lease including any professional fees for carrying out any insurance valuation of the Reinstatement Cost; (b) the cost of any additional premiums (including any IPT) and loadings that may be demanded by the Landlord's insurer as a result of any act or default of the Tenant,

any undertenant, their workers, contractors or agents or any person at the Property with the express or implied authority of any of them.

"Insured Risks"	loss of rent, fire, explosion, lightning, earthquake, storm, flood, bursting and overflowing of water tanks, apparatus or pipes, escape of water or oil, impact by aircraft and articles dropped from them, impact by vehicles, riot, civil commotion, malicious damage, theft or attempted theft, falling trees and branches and aerials, subsidence, heave, landslip, collision, accidental damage to underground services, terrorism, public liability to anyone else and any other risks which the Landlord reasonably decides to insure against from time to time and Insured Risk means any one of the Insured Risks;
"IPT"	Insurance Premium Tax chargeable under the Finance Act 1994 or any similar replacement or additional tax;
"Landlord Covenants"	the covenants on the part of the Landlord set out in Schedule 6;
"Management Company Covenants"	the covenants on the part of the Management Company set out in clause 6;
"Management Company Lease"	a lease of the Building to be granted in favour of the Management Company but subject to the leases of the flats and to be granted following the grant of the last lease of a flat by the Landlord;
"Parking Spaces"	the external car parking spaces within the Building that are intended from time to time to be used by the tenants in the Building and shown for identification purposes shaded blue on Plan 3 and/or Plan 4;
"Permitted Use"	as a single private dwelling;
"Plan 1"	the plan attached to this Lease marked "Plan 1";
"Plan 2"	the plan attached to this Lease marked "Plan 2";
"Plan 3"	the plan attached to this Lease marked "Plan 3";
"Plan 4"	the plan attached to this Lease marked "Plan 4";
"Premium"	The Lessor has received from the Lessee for the Property the sum of £325000.00 .;
"Property"	the part of the ground floor of the Building known as 1044 Finchampstead Road (Apartment 10 44, Finchampstead Road, Wokingham, RG40 2NN), the floor plan of which is shown edged red on Plan 1 and more particularly described in Schedule 1;
"Refuse Area"	the refuse area shown shaded green on Plan 3 and/or Plan 4 or in such area as the Landlord shall from time to time designate;
"Regulations"	the covenants on the part of the Tenant set out in

Schedule 5;

"Reinstatement Cost"	the full cost of reinstatement of the Building as reasonably determined by the Landlord from time to time, taking into account inflation of building costs and including any costs of demolition, site clearance, site protection, shoring up, professional fees and expenses and the costs of any other work to the Building that may be required by law and any VAT on any such costs, fees and expenses;
"Rent"	rent at the initial rate of £200.00 per annum until and excluding a review date and thereafter such Rent as determined in accordance with the Schedule 8;
"Rent Payment Dates"	1 January in each year;
"Reservations"	the rights excepted and reserved to the Landlord and Management Company in clause 4 and listed in The Reservations;
"Retained Parts"	<p>all parts of the Building other than the Property and the Flats including:</p> <ul style="list-style-type: none">(a) the main structure of the Building including the roof and roof structures, the foundations, the external walls and internal load bearing walls, the structural timbers, the joists and the guttering;(b) all parts of the Building lying below the floor surfaces or above the ceilings;(c) all external decorative surfaces of:<ul style="list-style-type: none">(i) the Building;(ii) external doors;(iii) external door frames; and(iv) external window frames;(d) the Common Parts;(e) the Parking Spaces;(f) the Service Media at the Building which do not exclusively serve either the Property or the Flats; and(g) all boundary walls fences and railings of the Building;
"Review Dates"	1 January 2020 and every fifth anniversary thereof;
"Rights"	the rights granted by the Landlord to the Tenant in clause 3 and listed in The Rights;
"Service Charge"	a fair and reasonable proportion determined by the Landlord (or after the Handover Date, the Management Company) of the Service Costs;

"Service Charge Year"	is the annual accounting period relating to the Services and the Service Costs beginning on 1 January in 2015 and each subsequent year during the term provided that the Landlord or the Management Company (as appropriate) may from time to time (but not more than once in any calendar year) change the date on which the annual accounting period starts and shall give written notice of that change to the Tenant as soon as reasonably practicable;
"Service Costs"	the costs listed in Part 2 of Schedule 7;
"Service Media"	all media for the supply or removal of heat, smoke, electricity, gas, water, sewage, air-conditioning, energy, telecommunications, television, data and all other services and utilities and all structures, machinery and equipment ancillary to those media;
"Services"	the services to be provided by the Landlord or, after the Handover Date, the Management Company and listed in Part 1 of Schedule 7;
"Tenant Covenants"	the covenants on the part of the Tenant set out in Tenant Covenants and the Regulations being Schedules 4 and 5;
"Term"	a term of 150 years from and including 1 January 2015 and to and including 31 December 2165;
"Third Party Rights"	all rights, covenants and restrictions affecting the Building including the matters referred to at the date of this Lease in the property register the charges register of title number BK283464;
"VAT"	value added tax chargeable under the Value Added Tax Act 1994 or any similar replacement or additional tax; and
"Visitor Parking Spaces"	the Parking Spaces (if any) shown shaded yellow on Plan 3 and/or Plan 4 or any nominated by the Landlord or Management Company from time to time as designated for visitors' use.

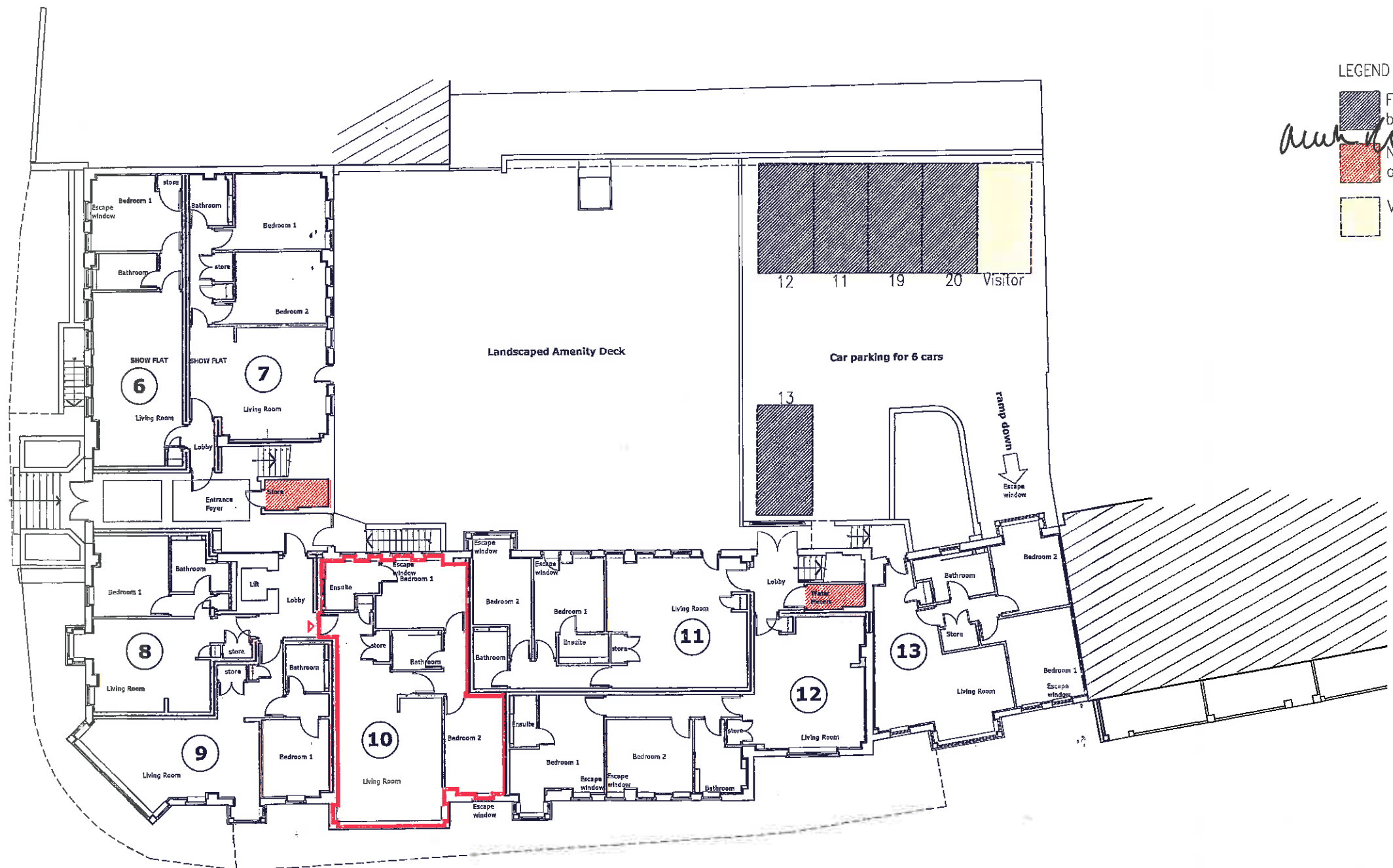
- 1.2 A reference to this "lease", except a reference to the date of this Lease or to the grant of this Lease, is a reference to this deed and any deed, licence, consent, or other instrument supplemental to it.
- 1.3 A reference to the "Landlord" includes a reference to the person entitled to the immediate reversion to this Lease. A reference to the "Tenant" includes a reference to the Tenant's personal representatives, successors in title and assigns.
- 1.4 A working day is any day which is not a Saturday, a Sunday, a bank holiday or a public holiday in England.
- 1.5 Any obligation in this Lease on the Tenant not to do something includes an obligation not to permit or allow that thing to be done and an obligation to use best endeavours to prevent that thing being done by another person.
- 1.6 Unless the context otherwise requires, references to the "Building", the "Common Parts", the "Flats", the "Property" and the "Retained Parts" are to the whole and any part of it.

Figured dimensions only are to be used. All dimensions to be checked on site. Differences between drawings and between drawings and specifications or bills of quantities to be reported to the PRC Group.




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Revisions: _____ Drawn/Checked: _____ Date: _____

Plan 1



LEGEND

-  Flat allocated parking bays.
-  Non accessible service areas.
-  Visitor parking bays.

Client:
First Alliance

Project:
Carey Road
WOKINGHAM

20 Church St West,
Woking, Surrey,
GU24 0BT
01483 484 553
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Drawing Title:
DEMISE PLAN
Ground Floor
FLAT 10

Architects:
Planning
Master Planning
Urban Design
Interiors

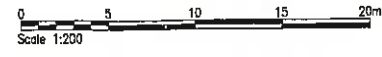
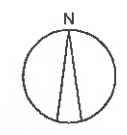
Scale @ A2: 1:200
Checked by: AR
Date: June 2015

Job No: 10084
Stage: Drawing No: WD 32_110

Issue Status:
Construction Preliminary
Information Approval
Tender

Offices:
Woking
London
Milton Keynes
Warrimoo

PRC Group



Plan 2



5 St Mary's Road,
Surrey,
KT6 4JG

020 8390 6160
Fax: 0700 290 2970

info@prc-group.com
www.prc-group.com

Client: First Alliance
Project: Carey Road WOKINGHAM
Drawing Title: Location Plan

Scale @ A3: 1:1250 @ A4	Project Co-Ordinator: SC	Date: April 2014
Job No: 10048	Stage: PL	Drawing No: 001
Rev:		

Construction	<input type="checkbox"/>	Preliminary	<input type="checkbox"/>	Information	<input type="checkbox"/>
Approval	<input type="checkbox"/>	Tender	<input type="checkbox"/>		

PRC Group



Plan 3

- LEGEND**
- Flat allocated parking bays.
 - Non accessible service areas.
 - Visitor parking bays.
 - Cycle Store
 - Refuse store

Architectural drawing



Client:
First Alliance

Project:
Carey Road
WOKINGHAM

Drawing Title:
DEMISE PLAN
Basement Floor

Scale: 1:200
Drawn by: AR
Date: June 2015

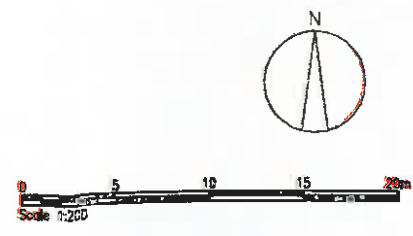
Use No: 10084
Site: WND 32_100

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Architect:
Planning
Master Planning
Urban Design
Interior




Offices:
Working
London
Wokingham
Worcester


Checklist:
 Construction
 Planning
 Approval
 Other



Plan 4



- LEGEND**
-  Flat allocated parking bays.
 -  Non accessible service areas.
 -  Visitor parking bays.

Client: First Alliance		
Project: Carey Road WOKINGHAM		
Drawing Title: DEMISE PLAN Ground Floor		24 Church St West Woking, Surrey GU24 0EP 01483 654 950 info@prc.co.uk www.prc.co.uk
Scale: 1:200	Created by: AR	Date: June 2016
Job No: 10004	Spec. Drawn No.:	Rev.:
	WD 32_122	
Issue Status: <input type="checkbox"/> Issued <input type="checkbox"/> For Information <input type="checkbox"/> For Tender	<input type="checkbox"/> For Approval <input type="checkbox"/> For Approval <input type="checkbox"/> For Approval	Architect: Planning Master Planning Urban Design Interiors Offices Working Location Other Projects Website

- 1.7 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.8 A "person" includes a corporate or unincorporated body (whether or not having separate legal personality).
- 1.9 A reference to "writing" or "written" excludes faxes or e-mail.
- 1.10 Unless the context otherwise requires, words in the singular include the plural and in the plural include the singular.
- 1.11 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.12 A reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time taking account of any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.13 A reference to a statute or statutory provision shall include any subordinate legislation made from time to time under that statute or statutory provision.
- 1.14 A reference to the end of the term is to the end of the term however it ends.
- 1.15 The Schedules form part of this Lease and shall have effect as if set out in full in the body of this Lease. Any reference to this Lease includes the Schedules.
- 1.16 Clause, Schedule and paragraph headings shall not affect the interpretation of this Lease.
- 1.17 References to clauses and Schedules are to the clauses of and schedules to this Lease and references to paragraphs are to paragraphs of the relevant Schedule.

2. GRANT

- 2.1 The Landlord lets with full title guarantee the Property to the Tenant for the Permitted Use for the Term.
- 2.2 The grant is made together with the Rights, excepting and reserving the Reservations, and subject to the Third Party Rights.
- 2.3 The grant is made in consideration of the Tenant paying to the Landlord the Premium (receipt of which the Landlord acknowledges) and covenanting to pay the Landlord the following sums as rent:
 - 2.3.1 the Rent;
 - 2.3.2 the Insurance Rent;
 - 2.3.3 the Service Charge;
 - 2.3.4 all interest payable under this Lease; and
 - 2.3.5 all other sums due under this Lease.

PROVIDED THAT unless the Tenant is notified otherwise by the Landlord, the Tenant will pay the Insurance Rent and Service Charge together with any VAT to the Management Company together with any interest in respect of late payment in accordance with paragraph 4 of Tenant Covenants of this Lease.

3. THE RIGHTS

- 3.1 The Landlord grants the Tenant the Rights for all purposes connected with the Permitted Use of the Property, but in each case subject to complying with any Regulations relating to that Right.
- 3.2 The Rights are granted subject to the Third Party Rights and in so far as the Landlord is able to grant them and in common with:
 - 3.2.1 the Landlord, the Management Company and all persons authorised by them; and
 - 3.2.2 the Flat Tenants.
- 3.3 The Tenant shall not be deemed to have acquired any other easement or right over the Building or any neighbouring property other than the Rights and section 62 of the Law of Property Act 1925 shall not apply to this Lease.

4. THE RESERVATIONS

- 4.1 The Reservations are excepted and reserved from this Lease for the benefit of the Building.
- 4.2 The Reservations may be exercised by the Landlord notwithstanding that the exercise of any of the Reservations or the works carried out pursuant to them may result in a reduction in the flow of light or air to the Property or the Common Parts or loss of amenity for the Property or the Common Parts provided that they do not materially adversely affect the use and enjoyment of the Property for the Permitted Use.
- 4.3 The Reservations shall be construed as extending to the Landlord and all persons authorised by the Landlord or otherwise entitled to exercise the Reservations, which shall include the Management Company.

5. TENANT COVENANTS

- 5.1 The Tenant covenants:
 - 5.1.1 with the Landlord and by way of separate covenant with the Management Company to observe and perform the Tenant Covenants set out in Schedule 4; and
 - 5.1.2 with the Flat Tenants and by way of separate covenant with the Landlord and Management Company to observe and perform the Regulations set out in Schedule 5.

6. MANAGEMENT COMPANY COVENANTS

- 6.1 The Management Company covenants with the Landlord and the Tenant from the Handover Date to observe and perform on behalf of the Landlord the obligations on the Landlord set out in paragraph 1 4 and 6 of Schedule 6. These provisions shall apply to the Management Company to the same extent as they apply to the Landlord, and the Management Company may, in carrying out its obligations under these provisions, exercise on behalf of the Landlord the rights granted to the Landlord under the provisions of this Lease.
- 6.2 The Management Company shall supply to the Landlord such accounts, records and receipts relating to the Service Costs incurred by the Management Company and to permit the Landlord to inspect the accounts, records and receipts by appointment with the Management Company (or its accountants or managing agents).
- 6.3 From the Handover Date the Management Company shall if requested by the Tenant in accordance with paragraph 6 of Landlord Covenants enforce covenants against the Flat Tenants provided that the Tenant has:

- 6.3.1 provided the indemnity to the Management Company referred to in paragraph 6.1.1 of Landlord Covenants;
- 6.3.2 the security referred to in paragraph 6.1.2 of Landlord Covenants; and
- 6.3.3 has confirmed that it shall join in any action or proceedings if so requested by the Management Company.

PROVIDED ALWAYS THAT the Management Company shall provide the Landlord with such assistance as it shall require in connection with complying with its obligations under paragraph 6 of Landlord Covenants.

- 6.4 From the Handover Date if notified by the Landlord to do so, the Management Company will maintain and repair the Flats to the extent that no physical damage is caused to the Property until such time as the Landlord grants leases of the Flats.
- 6.5 The Management Company shall indemnify the Landlord against all claims, liabilities, costs, expenses (including any solicitors', surveyors' or other professionals' costs and expenses, and any VAT on them, assessed on a full indemnity basis), damages and losses (including any diminution in the value of the Landlord's interest in the Building and loss of amenity of the Building) arising out of or in connection with:
 - 6.5.1 any breach of any of the Management Company's Covenants; or
 - 6.5.2 any act or omission of the Management Company or its workers, contractors or agents or any other person at the Property or the Building with the express or implied authority of any of them.
- 6.6 The Management Company shall admit the Tenant as a member of the Management Company in accordance with its articles of association and pursuant to paragraph 18 of Schedule 4.
- 6.7 If during the Term the Management Company shall for a period of twenty one days fail or neglect to perform and observe its obligations or any of them hereunder or shall go into liquidation the Landlord shall undertake (or by action or otherwise compel the Management Company to undertake) the obligations or any of them hereby agreed to be undertaken by the Management Company and shall be entitled to recover from the Tenant a due proportion of all money, costs, charges and expenses incurred by the Landlord in connection therewith.

7. LANDLORD COVENANTS

- 7.1 For the purposes of this clause, the following definitions shall apply:
 - 7.1.1 "assignment:" completion of:
 - (a) a transfer or assignment by deed, or
 - (b) a transfer by operation of law which transfers or assigns the Original Landlord's reversionary interest in the Property, whether or not that transfer or assignment operates only in equity and whether or not it is registered at Land Registry.
- 7.2 Subject to clause 8.1 and clause 8.2, the Landlord covenants with the Tenant and by way of a separate covenant with the Management Company to observe and perform the Landlord Covenants in Schedule 6.
- 7.3 Following an assignment, the Landlord shall not be liable for a breach of any of the landlord covenants of this Lease occurring after the assignment. This shall not affect any right or remedy of the Tenant in respect of any breach of the landlord covenants of this Lease occurring before the assignment.

8. EXCLUSION OF LIABILITY

- 8.1 Neither the Landlord nor the Management Company (as appropriate) shall be liable to the Tenant for any failure or interruption in the Services where the failure or interruption is outside the Landlord's or Management Company's (as appropriate) reasonable control whilst the provision of the Services is the responsibility of the Management Company under the Management Company Lease.
- 8.2 Neither the Landlord nor the Management Company (as appropriate) shall be liable to the Tenant for any failure or interruption in the Services, unless and until the Tenant has given the Landlord or the Management Company (as appropriate) notice of the failure or interruption and the Landlord or the Management Company (as appropriate) has not remedied the failure or interruption within a reasonable time of service of that notice.
- 8.3 The Management Company may in carrying out its obligations under clause 6.1 after the Handover Date shall be entitled to the same exclusion of liability as the Landlord under clause 8.1 and clause 8.2.

9. RE-ENTRY AND FORFEITURE

- 9.1 The Landlord may re-enter the Property (or any part of the Property in the name of the whole) at any time after any of the following occurs:
- 9.1.1 any Rent, Insurance Rent, Service Charge or any other rent due under this Lease is wholly or partly unpaid 21 days after becoming payable; or
- 9.1.2 any breach of any of the Tenant Covenants.
- 9.2 If the Landlord re-enters the Property (or any part of the Property in the name of the whole) pursuant to this clause, this Lease shall immediately end, but without prejudice to any right or remedy of the Landlord or the Management Company in respect of any breach of covenant by the Tenant.

10. DESTRUCTION OF BUILDING

- 10.1 If:
- 10.1.1 the Building is damaged or destroyed by an Insured Risk;
- 10.1.2 the Property is wholly or partly unfit for occupation and use and/or the Common Parts are damaged or destroyed so as to make the Property inaccessible or unusable; and
- 10.1.3 the payment of the insurance monies is not wholly or partly refused because of any act or omission of the Tenant or any undertenant or their respective workers, contractors or agents or any other person at the Property or the Building with the express or implied authority of any of them,

then payment of the Rent, Insurance Rent and Service Charge, or a fair proportion of them according to the nature and extent of the damage, shall be suspended until the Building has been reinstated so as to make the Property fit for occupation and use and the Common Parts accessible and usable.

- 10.2 Subject to the provisions of clause 6.1, if for any reason the repair, rebuilding or reinstatement of the Building shall be impossible following damage or destruction by any of the Insured Risks:
- 10.2.1 the Landlord's obligation to reinstate the Building contained in paragraph 3 of Landlord Covenants shall be deemed to have been discharged;

- 10.2.2 the Landlord shall hold all proceeds of the insurance policy of the Building on trust for the Landlord and the Flat Tenants in proportion to their respective interests in the Building at the time of the damage or destruction, as agreed in writing between the Landlord and the Flat Tenants or failing agreement as determined pursuant to clause 10.3; and
- 10.2.3 the Landlord shall pay such sums due to the Flat Tenants within three months of agreement or on determination pursuant to clause 10.3.
- 10.3 Any dispute arising regarding this clause 10 shall be finally determined by arbitration in accordance with the provisions of the Arbitration Act 1996. The tribunal shall consist of one arbitrator appointed by the President for the time being of the Royal Institution of Chartered Surveyors.

11. SET-OFF

The Rent, Insurance Rent, Service Charge and all other amounts due under this Lease shall be paid by the Tenant in full without any deduction or withholding other than as required by law. The Tenant shall not be entitled to assert any credit, set-off or counterclaim against the Landlord or Management Company (as appropriate) to justify withholding payment of any sum due.

12. CONSENTS

- 12.1 Any consent given by the Landlord under this Lease may be granted subject to reasonable conditions.
- 12.2 No consent given by the Landlord under this Lease shall imply that any consent required from a third party has been given and shall not obviate the need to obtain any consent required from a third party.

13. DISPUTES BETWEEN TENANTS

Save for any dispute arising under clause 10, any dispute between the Tenant and the Flat Tenants in relation to this Lease, including any payment of costs, shall be resolved by the Landlord (or such other person as the Landlord shall appoint) whose decision shall be final and binding on the Tenant except on questions of law.

14. JOINT AND SEVERAL LIABILITY

At any time when the Landlord, the Management Company or the Tenant is more than one person, those persons shall in each case be jointly and severally liable for their respective obligations and liabilities arising under this Lease. The Landlord and the Management Company may each take action against, or release or compromise the liability of, any one of those persons, or grant any time or other indulgence to any one of them, without affecting the liability of any other of them.

15. ENTIRE AGREEMENT

- 15.1 This Lease and any documents annexed to it constitutes the whole agreement between the parties and supersedes all previous discussions, correspondence, negotiations, arrangements, understandings and agreements between them relating to their subject matter.
- 15.2 Each party acknowledges that in entering into this Lease and any documents annexed to it it does not rely on, and shall have no remedies in respect of, any representation or warranty (whether made innocently or negligently) other than those contained in any written replies that Bond Dickinson LLP has given to any written enquiries raised by the Tenant's conveyancer before the date of this Lease.
- 15.3 Nothing in this clause shall limit or exclude any liability for fraud.

16. NOTICES

- 16.1 A notice given under or in connection with this Lease shall be:
- 16.1.1 in writing unless this Lease expressly states otherwise and for the purposes of this clause a fax or an e-mail is not in writing;
 - 16.1.2 given to the Landlord by:
 - (a) leaving it at the Landlord's address given in clause 16.5 or as amended; or
 - (b) sending it by pre-paid first-class post or other next working day delivery service at the Landlord's address given in clause 16.5;
 - 16.1.3 given to the Tenant by:
 - (a) leaving it at the Property; or
 - (b) sending it by pre-paid first-class post or other next working day delivery service at the Property;
 - 16.1.4 given to the Management Company by:
 - (a) leaving it at the Management Company's registered office address; or
 - (b) sending it by pre-paid first-class post or other next working day delivery service at the Management Company's registered office address.
- 16.2 If a notice is given in accordance with clause 16.1, it shall be deemed to have been received:
- 16.2.1 if delivered by hand, at the time the notice is left at the proper address; or
 - 16.2.2 if sent by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting.
- 16.3 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.
- 16.4 Section 196 of the Law of Property Act 1925 shall otherwise apply to notices given under this Lease.
- 16.5 The Landlord's address for service is 22 Grosvenor Square, London, W1K 6DT or such other address as the Landlord may notify to the Tenant from time to time.

17. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not a party to this Lease shall not have any rights under or in connection with it by virtue of the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of a third party which exists, or is available, apart from under that Act.

18. VAT

Any obligation to pay money refers to a sum exclusive of VAT and the amount of any VAT payable in addition (whether by the Landlord, the Management Company or the Tenant) shall be paid by the Tenant to the Landlord or the Management Company (as appropriate).

19. LANDLORD AND TENANT (COVENANTS) ACT 1995

This Lease creates a new tenancy for the purposes of the Landlord and Tenant (Covenants) Act 1995.

20. GOVERNING LAW AND JURISDICTION

- 20.1 This Lease and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.
- 20.2 Save for any dispute arising under clause 10, the parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Lease or its subject matter or formation (including non-contractual disputes or claims).

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

SCHEDULE 1

THE PROPERTY

1. The part of the ground floor of the Building known as Plot 10 44 Finchampstead Road (Apartment 10 44, Finchampstead Road, Wokingham, RG40 2NN), the plans of which is shown edged red on Plan 1 including:
 - 1.1 the internal plaster, plasterboard and surface finishes of all walls;
 - 1.2 the whole of any internal, non-load bearing walls that are entirely within the Property;
 - 1.3 the inner half (severed medially) of the non-load bearing walls dividing the Property from any other parts of the Building;
 - 1.4 the floorboards or other floor surfaces above the joists or other structural floor supports supporting them;
 - 1.5 the ceiling plaster, plasterboard or other ceiling surface below the joists or other structural ceiling supports supporting them;
 - 1.6 the doors and windows and their frames, fittings and glass;
 - 1.7 all Service Media exclusively serving the Property;
 - 1.8 all Landlord's fixtures and fittings in the Property; and
 - 1.9 all additions and improvements to the Property.
2. The Property shall not include any of the Retained Parts.

SCHEDULE 2

THE RIGHTS

1. SHELTER AND PROTECTION

The right of support, shelter and protection from other parts of the Building, to the extent existing at the date of this Lease.

2. ACCESS TO AND FROM THE PROPERTY

2.1 A right of way for the Tenant and all persons authorised by the Tenant at all times on foot only, or with vehicles where appropriate, over and along those parts of the Common Parts (excluding the Excluded Areas) which afford access to and egress from the Property and the Parking Spaces PROVIDED THAT the Landlord may, at its discretion, change the route of any means of access to or egress from the Property or the Parking Space by giving notice to the Tenant.

3. USE OF RETAINED PARTS

3.1 The right for the Tenant and all persons authorised by the Tenant:

3.1.1 to use the dustbins in the Refuse Area for the purpose of depositing normal domestic rubbish;

3.1.2 to use any part of the external areas forming part of the Common Parts for normal quiet recreational purposes only;

3.1.3 to park a private motor car or private motor cycle belonging to the Tenant or its visitors on the Designated Parking Space PROVIDED THAT the Landlord or Management Company may from time to time substitute replace or temporarily withdraw and replace the Designated Parking Space and/or make alternative provision within the Parking Spaces;

3.1.4 to park a private motorcar or private motorcycle belonging to the visitor of the Tenant on a non-exclusive first come first served basis for no more than a 24 (twenty four) hour period in one of the Visitor Parking Spaces; and

3.1.5 to park a single bicycle belonging to the Tenant on a non-exclusive first come first served basis in one of the Bicycle Spaces.

4. SERVICE MEDIA

The right to use and to connect into any Service Media in the Building that serve the Property and which are in existence at the date of this Lease or are installed or constructed during the period of 80 years from the commencement of the Term (provided that the Landlord may, at its discretion, re-route or replace any such Service Media at any time and the right shall then apply in relation to the Service Media as re-routed or replaced).

5. ACCESS TO OTHER PARTS OF THE BUILDING

The right to enter other parts of the Building with or without agents, professional advisers, workmen and equipment so far as is reasonably necessary to inspect or carry out any works to the Property required or permitted by this Lease but at all times subject to compliance with the Conditions for Entry.

SCHEDULE 3
THE RESERVATIONS

1. **SHELTER AND PROTECTION**

All rights of support, shelter and protection from the Property to the extent those rights are capable of being enjoyed at any time during the Term.

2. **LIGHT AND AIR**

All rights of light and air to the extent those rights are capable of being enjoyed at any time during the Term.

3. **SERVICE MEDIA**

The right to use and to connect into any Service Media at the Property which serve other parts of the Building and which are in existence at the date of this Lease or are installed or constructed during the period of 80 years from commencement of the Term.

4. **ACCESS TO THE PROPERTY**

4.1 Subject to compliance with the Conditions for Entry, the right to enter the Property with or without agents, professional advisers, workmen and equipment so far as is reasonably necessary:

4.1.1 to inspect or carry out works to the Retained Parts and the Flats;

4.1.2 to inspect, repair, maintain, install, re-route or replace any Service Media serving any other part of the Building;

4.1.3 to inspect the state of repair and condition of the Property (following which the Landlord may give the Tenant notice of any breach of the Tenant Covenants relating to the repair or condition of the Property);

4.1.4 to carry out any works needed to remedy the breach set out in any notice served under paragraph 4.1.3 if the works have not been carried out by the Tenant to the reasonable satisfaction of the Landlord within the time period specified in the notice;

4.1.5 for any other purpose mentioned in or connected with this Lease, the Reservations or the Landlord's interest in the Building.

5. **DEVELOPMENT**

The full and free right at any time during the Term to develop any part of the Building (other than the Property or any part of the Building over which Rights are granted) as the Landlord may think fit.

6. **ALTERATION AND SUSPENSION OF RIGHTS**

6.1 The right to re-route and replace any Service Media at the Building over which Rights are granted.

6.2 The right to suspend the use of the Parking Spaces for so long as is reasonably necessary to repair or maintain the Retained Parts.

SCHEDULE 4

TENANT COVENANTS

1. RENT

- 1.1 To pay the Rent to the Landlord in advance on or before the Rent Payment Dates by standing order or by any other method that the Landlord from time to time requires by giving notice to the Tenant.
- 1.2 The first instalment of the Rent shall be paid on the date of this Lease and shall be the proportion, calculated on a daily basis, of the Rent payable from the date of this Lease until the day before the next Rent Payment Date.

2. SERVICE CHARGE

- 2.1 The Tenant shall pay to the Landlord or the Management Company (as appropriate) the estimated Service Charge for each Service Charge Year on each of the Rent Payment Dates.
- 2.2 In relation to the Service Charge Year current at the date of this Lease, the Tenant's obligations to pay the estimated Service Charge and the actual Service Charge shall be limited to an apportioned part of those amounts, such apportioned part to be calculated on a daily basis for the period from the date of this Lease to the end of the Service Charge Year. The estimated Service Charge for which the Tenant is liable shall be paid in equal instalments on the date of this Lease and the remaining rent payment days (if any) during the period from the date of this Lease until the end of the Service Charge Year.
- 2.3 If, in respect of any Service Charge Year, the estimate of the Service Charge provided by the Landlord or the Management Company is less than the Service Charge, the Tenant shall pay the difference on demand. If, in respect of any Service Charge Year, the estimate provided by the Landlord or the Management Company of the Service Charge is more than the Service Charge, the Landlord or Management Company (as appropriate) shall credit the difference against the Tenant's next instalment of the estimated Service Charge (and where the difference exceeds the next instalment then the balance of the difference shall be credited against each succeeding instalment until it is fully credited).
- 2.4 Without prejudice to paragraph 3.1.3 of Tenant Covenants, where the Landlord or Management Company (as appropriate) provides any Service by reason of the damage to or destruction of the Retained Parts by an Insured Risk, the costs of that Service shall not be included in the Service Charge.

3. INSURANCE

- 3.1 To pay to the Landlord or the Management Company (as appropriate):
 - 3.1.1 the Insurance Rent demanded by the Landlord or the Management Company by the date specified in the notice given by the Landlord or the Management Company under the terms of this Lease;
 - 3.1.2 on demand a fair and reasonable proportion, determined by the Landlord or the Management Company of any excess payable under the insurance policy of the Building following the occurrence of an Insured Risk; and
 - 3.1.3 on demand an amount equal to any insurance money that the insurers of the Building refuse to pay by reason of any act or omission of the Tenant or any undertenant, their workers, contractors or agents or any person at the Building with the express or implied authority of any of them.
- 3.2 To give the Landlord and the Management Company, notice immediately that:

- 3.2.1 any matter occurs in relation to the Tenant or the Building that any insurer or underwriter may treat as material in deciding whether or on what terms, to insure or continue insuring the Building;
 - 3.2.2 any damage or loss occurs that relates to the Building and arises from an Insured Risk; and
 - 3.2.3 any other event occurs which might affect any insurance policy relating to the Building.
- 3.3 Not to insure the Building or the Property against any of the Insured Risks in such a manner as would permit the Landlord's insurer to cancel the Landlord's insurance or to reduce the amount of any money payable to the Landlord in respect of any insurance claim.

4. **INTEREST ON LATE PAYMENT**

To pay interest to the Landlord or the Management Company (as appropriate) at the Default Interest Rate on any Rent, Insurance Rent, Service Charge or other payment due under this Lease and not paid within 14 days of the date it is due, for the period from the due date until the date of actual payment, whether before or after judgment.

5. **RATES AND TAXES**

- 5.1 To pay all present and future rates, taxes and other impositions payable in respect of the Property, its use and any works carried out there, other than:
- 5.1.1 any taxes payable by the Landlord in connection with any dealing with or disposition of the reversion to this Lease; and
 - 5.1.2 any taxes, other than VAT and IPT, payable by the Landlord by reason of the receipt of any of the rents due under this Lease.
- 5.2 To pay:
- 5.2.1 a fair and reasonable proportion determined by the Landlord of any such rates, taxes or other impositions that are payable in respect of the Building; and
 - 5.2.2 a fair and reasonable proportion determined by the Landlord of any such rates, taxes or other impositions that are payable in respect of the Property together with other land (whether or not including any other part of the Building).

6. **UTILITIES**

- 6.1 To pay all costs in connection with the supply and removal of electricity, gas, water, sewage, telecommunications, data and other services and utilities to or from the Property.
- 6.2 To comply with all laws and with any recommendations of the relevant suppliers relating to the use of those services and utilities and the Service Media at or serving the Property.
- 6.3 To pay to the Landlord or Management Company (as appropriate) within 14 (fourteen) days of demand a fair and reasonable proportion of the costs incurred by the Landlord or Management Company (as appropriate) in providing heating and/or hot water to the Property by reference to the relevant meter at the Property and payable at regular intervals (albeit no more frequently than once a month) in arrears.

7. **COSTS**

- 7.1 To pay on demand the costs and expenses of the Landlord (including any solicitors', surveyors' or other professionals' fees, costs and expenses and any VAT on them) assessed

on a full indemnity basis incurred by the Landlord (both during and after the end of the Term) in connection with or in contemplation of any of the following:

- 7.1.1 the enforcement of any of the Tenant Covenants;
- 7.1.2 preparing and serving any notice in connection with this Lease under section 146 or 147 of the Law of Property Act 1925 or taking any proceedings under either of those sections, notwithstanding that forfeiture is avoided otherwise than by relief granted by the court;
- 7.1.3 preparing and serving any notice in connection with this Lease under section 17 of the Landlord and Tenant (Covenants) Act 1995;
- 7.1.4 preparing and serving any notice under paragraph 4.1.3 of The Reservations; and
- 7.1.5 any consent applied for under this Lease, whether or not it is granted (except to the extent that the consent is unreasonably withheld or delayed by the Landlord in circumstances where the Landlord is not entitled to unreasonably withhold or delay consent).

PROVIDED ALWAYS THAT the Tenant's obligation to pay costs under this paragraph shall include any costs and expenses of the Management Company (including any solicitors', surveyors' or other professionals' fees, costs and expenses and any VAT on them) assessed on a full indemnity basis incurred in connection with or in contemplation of any of the matters set out above in this paragraph.

8. ALTERATIONS

- 8.1 Not to make any external or structural alteration or addition to the Property or make any opening in any boundary of the Property or cut or maim any structural parts of the Building.
- 8.2 Not to make any internal, non-structural alteration or addition to the Property, or alteration to the plan, design or elevation of the Property, without the prior written consent of the Landlord, such consent not to be unreasonably withheld or delayed.
- 8.3 Not to install, alter the route of, damage or remove any Service Media at the Property, without the prior written consent of the Landlord, such consent not to be unreasonably withheld or delayed.

9. ASSIGNMENT AND UNDERLETTING

- 9.1 Not to assign part of this Lease or underlet, charge or part with possession of part only of the Property.
- 9.2 Not to assign the whole of this Lease, or underlet or part with possession of the whole of the Property, during the last seven years of the Term without the prior written consent of the Landlord, such consent not to be unreasonably withheld or delayed.
- 9.3 Not to assign the whole of this Lease to a limited company without the prior written consent of the Landlord, such consent not to be unreasonably withheld or delayed.
- 9.4 Not to assign the whole of this Lease unless the Tenant has first:
 - 9.4.1 paid to the Landlord or Management Company (as appropriate) any Rent, Service Charge, Insurance Rent or other sums payable under this Lease which have fallen due before the date of assignment;
 - 9.4.2 provided the Landlord and the Management Company with an address for service in England or Wales if the assignee or transferee is not resident in England or Wales or is a limited company not registered within England or Wales.

- 9.4.3 obtained agreement from the assignee or transferee that they will become a member of the Management Company upon completion of the assignment or transfer; and
- 9.4.4 provided to the Landlord and the Management Company a Deed of Covenant.
- 9.5 Not to underlet the whole of the Property unless:
 - 9.5.1 the underlease is on an assured shorthold tenancy agreement or any other tenancy agreement whereby the tenant does not obtain security of tenure on expiry or earlier termination of the term;
 - 9.5.2 the underlease contains covenants substantially the same as those contained in the Regulations; and
 - 9.5.3 the underlease provides that the undertenant must not do anything that would or might cause the Tenant to be in breach of the Tenant Covenants.
- 9.6 Within one month of any assignment, underletting, charge, parting with possession of or any other devolution of title to this Lease or the Property to serve notice on the Landlord or (if required by the Landlord) the Landlord's solicitors and, the Management Company or the Management Company's solicitors, giving details and to:
 - 9.6.1 provide a certified copy of the transfer or other instrument of devolution of title; and
 - 9.6.2 pay the reasonable registration fees of the Landlord and Management Company or their respective solicitors, which shall be no less than One Hundred Pounds plus VAT for each and every notice and document produced.

10. REPAIR AND DECORATION

- 10.1 To keep the Property in good repair and condition throughout the Term (provided that the Tenant shall not be liable to repair the Property to the extent that any disrepair has been caused by an Insured Risk, unless and to the extent that the policy of insurance of the Property has been vitiated or any insurance proceeds withheld in consequence of any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any person at the Property with the express or implied authority of any of them).
- 10.2 To renew and replace from time to time all Landlord's fixtures and fittings at the Property which may become beyond repair at any time during the Term.
- 10.3 As often as is reasonably necessary and at least every five years, to decorate or treat as appropriate all parts of the inside of the Property that are usually decorated or treated in a good and proper manner, using good quality, suitable materials that are appropriate to the Property and in the last year of the Term to use materials, designs and colours approved by the Landlord.

11. COMPLIANCE WITH LAWS AND NOTICES

- 11.1 To comply with all laws relating to the Property, its use by the Tenant and any works carried out at it.
- 11.2 To comply with all laws relating to the use of the Retained Parts by the Tenant.
- 11.3 To carry out all works that are required under any law to be carried out at the Property (without prejudice to any obligation on the Tenant to obtain any consent under this Lease).
- 11.4 Within one week after receipt of any notice or other communication affecting the Property or the Building (and whether or not served pursuant to any law) to:

11.4.1 send a copy of the relevant document to the Landlord; and

11.4.2 in so far as it relates to the Property or the Tenant's use of the Retained Parts, take all steps necessary to comply with the notice or other communication and take any other action in connection with it as the Landlord may reasonably require.

PROVIDED THAT after the Handover Date, the Tenant's obligations under this paragraph 11.4 shall be extended to include the Management Company.

12. NOTIFY DEFECTS

To give notice to the Landlord and, after the Handover Date, the Management Company of any defect in or want of repair or damage to the Property or Building for which the Landlord may be responsible under this Lease or any law, as soon as the Tenant becomes aware of it.

13. THIRD PARTY RIGHTS

13.1 To comply with all obligations on the Landlord relating to the Third Party Rights insofar as they relate to the Property (and the exercise by the Tenant of the Rights) and not do anything (even if otherwise permitted by this Lease), that may interfere with any Third Party Right.

13.2 To allow the Landlord and any other person authorised by the terms of any Third Party Right to enter the Property in accordance with its terms.

14. REMEDY BREACHES

14.1 If the Landlord has given the Tenant notice of any breach of any of the Tenant Covenants relating to the repair or condition of the Property under paragraph 4.1.3 of The Reservations, to carry out all works needed to remedy that breach as quickly as possible, and in any event within the time period specified in the notice (or immediately if works are required as a matter of emergency) to the reasonable satisfaction of the Landlord.

14.2 If the Tenant has not begun any such works within the time specified in the notice or is not carrying out the works with due speed or has not completed such works to the reasonable satisfaction of the Landlord, to permit the Landlord or the Management Company (without prejudice to the other rights of the Landlord or Management Company in this Lease) and all persons authorised by them, to enter the Property and carry out the works needed.

14.3 To pay to the Landlord or, after the Handover Date, the Management Company (as appropriate) on demand the costs properly incurred by the Landlord and/or Management Company in carrying out any works pursuant to this clause (including any solicitors', surveyors' or other professionals' costs and expenses, and any VAT on them, assessed on a full indemnity basis).

15. PERMIT ENTRY

To permit all those entitled to exercise any right to enter the Property to do so subject to their compliance with the Conditions for Entry.

16. INDEMNITY

16.1 To indemnify the Landlord, and after the Handover Date, the Management Company, against all claims, liabilities, costs, expenses (including any solicitors', surveyors' or other professionals' costs and expenses, and any VAT on them, assessed on a full indemnity basis), damages and losses (including any diminution in the value of the Landlord's interest in the Building and loss of amenity of the Building) arising out of or in connection with:

16.1.1 any breach of any of the Tenant Covenants; or

- 16.1.2 any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any other person at the Property or the Building with the express or implied authority of any of them.

17. **RETURNING THE PROPERTY TO THE LANDLORD**

At the end of the Term to return the Property to the Landlord in good and substantial repair, condition and decoration and in accordance with the Tenant Covenants.

18. **MEMBERSHIP OF THE MANAGEMENT COMPANY**

- 18.1 The Tenant must within 14 days of becoming the Tenant apply to the Management Company in accordance with its articles of association to become a member of the Management Company.
- 18.2 The Tenant must not withdraw from membership of the Management Company or dispose of any of the rights attaching to the membership of the Management Company whilst it remains the Tenant.
- 18.3 If requested to do so by the Landlord, the Tenant shall:
- 18.3.1 become a director or secretary of the Management Company; and
- 18.3.2 deliver to the Landlord the duly completed signed company Form AP01 or AP03 or such other company form as shall replace these forms PROVIDED ALWAYS THAT in the case of the Tenant being a corporate Tenant, the Tenant shall procure that an individual who is a director or secretary of the corporate Tenant becomes a director or secretary of the Management Company and shall deliver to the Landlord the duly completed Form AP02 or AP04 or such company forms as shall replace these forms.

19. **EXTERNAL AREAS**

- 19.1 In the event that the property includes any area or areas external to the Building (including but not limited to garden and balcony areas) the Tenant shall not use or allow to be used the said external areas ("External Areas") for barbecues, bonfires, fires or any other untidy noxious activity nor for any other activity which is or may become a nuisance to the Landlord or Management Company or other owners and occupiers in the Building.
- 19.2 The Tenant shall at all times keep External Areas in a clean and tidy condition.

SCHEDULE 5

THE REGULATIONS

1. Not to use the Property for any purpose other than for the Permitted Use or carry on any trade or business at the Property.
2. Not to hold any political meeting or sale by auction at the Property.
3. Not to use the Property for any noisy, offensive, illegal or immoral purpose.
4. Not to do anything at the Property which may be or become a nuisance or annoyance, or cause loss, damage or injury, to the Landlord or the Flat Tenants or the occupiers of any neighbouring property.
5. Not to bring or keep any inflammable, explosive, dangerous or offensive substances or goods onto the Property or Building (except fuel in the fuel tank of any private motor vehicle parked on the Parking Space).
6. Not to do anything which may cause any insurance of the Building to become void or voidable or which may cause an increased premium to be payable in respect of it (unless the Tenant has previously notified the Landlord or, after the Handover Date, the Management Company and has paid any increased premium).
7. To comply with the requirements and recommendations of the insurers relating to the Property and the exercise by the Tenant of the Rights.
8. Not to overload any structural part of the Building nor any Service Media at or serving the Property or the Building.
9. Not to do anything which may lessen the support or protection given by the Property to other parts of the Building.
10. Not to keep any animal or bird on the Property without the prior written consent of the Landlord, which consent may be revoked at any time.
11. Not to hang or expose clothes or other articles outside the Property or on any balcony or shake anything out of the windows of the Property.
12. Not to stop up, darken or obstruct any windows at the Property or Building or do anything else which may obstruct the flow of light or air to the Property or any other part of the Building.
13. To clean the inside of the windows of the Property as often as is reasonably necessary.
14. Not to sing or dance or play any musical instrument or equipment for making or reproducing sound or to act in such a manner so as to be audible outside the Property so as to cause annoyance to the Flat Tenants or any other occupiers of the Building.
15. Not to throw any dirt, rubbish, rags or other refuse into the sinks, baths, lavatories, cisterns or waste soil pipes in the Property.
16. Not to keep or deposit any rubbish at the Building except suitably wrapped and sealed and placed in a dustbin in the Refuse Area.
17. Not to live in the Property unless all floors (other than those in the areas not covered by carpeting as at the date hereof) are covered in good quality carpeting and underlay.
18. Not to decorate the exterior of the Property in any way.

19. Not to put any sign, plate, writing or drawing of any kind on any part of the exterior of the Property or in any window so as to be seen from the outside without the prior written consent of the Landlord.
20. Not to fix any television or radio aerial, satellite dish or receiver on the Building.
21. Not to place any "For Sale" or "To Let" sign on the Building without the prior written consent of the Landlord.
22. Not to play or loiter on the Common Parts or make any avoidable noise on the Common Parts.
23. Not to leave any bicycle, pushchair or any other item on the Common Parts or obstruct them in any way.
24. Not to use the Parking Space other than for the parking of a private motor car or private motorcycle which has an MOT certificate if required and which is in the regular use of the Tenant or other occupier of the Property.
25. Not to park any vehicles on the external areas of the Retained Parts (other than in the Parking Space).
26. To comply with all variations of these Regulations and all other regulations made by the Landlord or its agents from time to time in accordance with the principles of good estate management and notified to the Tenant that relate to:
 - 26.1 the use of the Retained Parts;
 - 26.2 the management of the Building and the welfare of its occupants; and
 - 26.3 the use of any Service Media, structures or other items outside the Building that are used or capable of being used by the Building in common with other land.

SCHEDULE 6

LANDLORD COVENANTS

1. QUIET ENJOYMENT

So long as the Tenant pays the rents reserved by and complies with its obligations in this Lease, the Tenant shall have quiet enjoyment of the Property without any interruption by the Landlord or any person claiming under the Landlord except as otherwise permitted by this Lease.

2. INSURANCE

2.1 To effect and maintain insurance of the building against loss or damage caused by any of the insured risks with reputable insurers for an amount not less than the reinstatement cost subject to:

2.1.1 Any exclusions, limitations, conditions or excesses that may be imposed by the insurer; and

2.1.2 insurance being available on reasonable terms in the London insurance market.

2.2 In relation to any insurance effected by the Landlord under this clause, the Landlord shall:

2.2.1 at the request of the Tenant supply the Tenant with:

(a) a copy of the insurance policy and schedule;

(b) a copy of the receipt for the current year's premium;

2.2.2 procure that the interest of the Tenant and their mortgagees are noted on the insurance policy, either by way of a general noting of the tenants' and mortgagees' interests under the conditions of the insurance policy or (provided that the Landlord has been notified of any assignment to the Tenant pursuant to paragraph 9.6 of Tenant Covenants) specifically.

3. REBUILD FOLLOWING DAMAGE OR DESTRUCTION

3.1 If the Building or any part of it is damaged or destroyed by an Insured Risk, the Landlord shall:

3.1.1 promptly make a claim under the insurance policy for the Building;

3.1.2 notify the Tenant immediately if the insurer indicates that the Reinstatement Cost will not be recoverable in full under the insurance policy, and, where appropriate, pursue any of the Flat Tenants in respect of any monies that the insurers of the Building refuse to pay by reason of any act or omission of the Flat Tenants or any undertenant, their workers, contractors or agents or any person at the Building with the express or implied authority of any of them;

3.1.3 promptly take such steps as may be necessary and proper to obtain all planning and other consents to repair (or as the case may be) rebuild the Building;

3.1.4 subject to obtaining such consents, use any insurance money received (other than for loss of Rent and Service Charge) and any money received from the Tenant under paragraph 3.1.3 of Tenant Covenants promptly to repair the damage in respect of which the money was received or (as the case may be) to rebuild the Building; and

3.1.5 subject to obtaining such consents, provide premises or facilities equivalent in size, quality and layout to those previously at the Building but if the relevant consents

cannot be obtained for premises or facilities equivalent in size, quality and layout to those previously at the Building to provide premises and facilities that are permitted by the relevant consents at the Building.

4. **SERVICES AND SERVICE COSTS**

- 4.1 Subject to the Tenant paying the Service Charge, to provide the Services.
- 4.2 Before or as soon as possible after the start of each Service Charge Year, the Landlord shall prepare and send the Tenant an estimate of the Service Costs for that Service Charge Year and a statement of the estimated Service Charge for that Service Charge Year.
- 4.3 As soon as reasonably practicable after the end of each Service Charge Year, the Landlord shall prepare and send to the Tenant a certificate showing the Service Costs and the Service Charge for that Service Charge Year. The certificate shall be in accordance with the service charge accounts prepared and audited by the Landlord's independent accountants.
- 4.4 To keep accounts, records and receipts relating to the Service Costs incurred by the Landlord and to permit the Tenant, on giving reasonable notice, to inspect the accounts, records and receipts by appointment with the Landlord (or its accountants or managing agents).
- 4.5 If any cost is omitted from the calculation of the Service Charge in any Service Charge Year, the Landlord shall be entitled to include it in the estimate and certificate of the Service Charge in any following Service Charge Year. Otherwise, and except in the case of manifest error, the Service Charge certificate shall be conclusive as to all matters of fact to which it refers.

5. **LEASES OF FLATS**

- 5.1 To ensure that every lease of the Flats granted by the Landlord for an original term of over 21 years is in substantially the same form as this Lease and contains covenants substantially the same as the Regulations.
- 5.2 Until such time as the Landlord grants leases of the Flats that the Landlord will maintain and repair the Flats to the extent that no physical damage is caused to the Property or will procure that the Management Company will do so. For the avoidance of doubt, this covenant will automatically lapse once leases of the Flats have been granted.

6. **ENFORCEMENT OF COVENANTS AGAINST THE FLAT TENANTS**

- 6.1 At the written request of the Tenant to enforce or assist the Tenant in enforcing the Regulations against the Flat Tenants provided that:
 - 6.1.1 the Tenant shall indemnify the Landlord in writing against all costs and expenses of such enforcement (including any solicitors', surveyors' or other professionals' costs and expenses, and any VAT on them, assessed on a full indemnity basis);
 - 6.1.2 the Landlord shall not be required to take any action or incur any costs under this clause until the Tenant has given to the Landlord such security as the Landlord shall in its reasonable discretion require;
 - 6.1.3 the Tenant shall join in any action or proceedings if so requested by the Landlord.

SCHEDULE 7

SERVICES AND SERVICE COSTS

Part 1 The Services

1. SERVICES

1.1 The Services are:

- 1.1.2 cleaning, maintaining, decorating, repairing and replacing the Retained Parts;
- 1.1.3 providing heating to the internal areas of the Common Parts during such periods of the year as the Landlord or, after the Handover Date, the Management Company reasonably considers appropriate, and cleaning, maintaining, repairing and replacing the heating machinery and equipment;
- 1.1.4 lighting the Common Parts and cleaning, maintaining, repairing and replacing lighting, machinery and equipment on the Common Parts;
- 1.1.5 cleaning, maintaining, repairing and replacing the furniture, fittings and equipment in the Common Parts;
- 1.1.6 cleaning, maintaining, repairing, operating and replacing security machinery and equipment (including closed circuit television) on the Common Parts;
- 1.1.7 cleaning, maintaining, repairing, operating and replacing fire prevention, detection and fighting machinery and equipment and fire alarms on the Common Parts;
- 1.1.8 cleaning, maintaining, repairing and replacing refuse bins on the Common Parts;
- 1.1.9 cleaning the outside of the windows of the Building;
- 1.1.10 cleaning, maintaining, repairing and replacing signage for the Common Parts;
- 1.1.11 maintaining any landscaped and grassed areas of the Common Parts;
- 1.1.12 cleaning, maintaining, repairing and replacing the floor coverings on the internal areas of the Common Parts;
- 1.1.13 any other service or amenity that the Landlord or the Management Company may in their reasonable discretion (acting in accordance with the principles of good estate management) provide for the benefit of the tenants and occupiers of the Building.

Part 2 Service Costs

2. SERVICE COSTS

2.1 The Service Costs are the total of:

- 2.1.1 all of the costs reasonably and properly incurred or reasonably and properly estimated by the Landlord or the Management Company to be incurred of:
 - (a) providing the Services;

- (b) the supply and removal of electricity, gas, water, sewage and other utilities to and from the Retained Parts;
 - (c) complying with the recommendations and requirements of the insurers of the Building (insofar as those recommendations and requirements relate to the Retained Parts);
 - (d) complying with all laws relating to the Retained Parts, their use and any works carried out at them, and relating to any materials kept at or disposed of from the Common Parts;
 - (e) complying with the Third Party Rights insofar as they relate to the Retained Parts;
 - (f) putting aside such sum as shall reasonably be considered necessary by the Landlord or the Management Company (whose decision shall be final as to questions of fact) to provide reserves or sinking funds for items of future expenditure to be or expected to be incurred at any time in connection with providing the Services; and
 - (g) taking any steps (including proceedings) that the Landlord or the Management Company considers necessary to prevent or remove any encroachment over the Retained Parts or to prevent the acquisition of any right over the Retained Parts (or the Building as a whole) or to remove any obstruction to the flow of light or air to the Retained Parts (or the Building as a whole);
- 2.1.2 the costs, fees and disbursements reasonably and properly incurred of:
- (a) managing agents employed by the Landlord or the Management Company for the carrying out and provision of the Services or, where managing agents are not employed, a management fee for the same;
 - (b) accountants employed by the Landlord or the Management Company to prepare and audit the service charge accounts; and
 - (c) any other person reasonably and properly retained by the Landlord or the Management Company to act on their behalf in connection with the Building or the provision of Services.
- 2.1.3 all rates, taxes and impositions payable in respect of the Retained Parts, their use and any works carried out on them (other than any taxes payable by the Landlord in connection with any dealing with or disposition of its reversionary interest in the Building); and
- 2.1.4 any VAT payable by the Landlord or the Management Company (as appropriate) in respect of any of the items mentioned above except to the extent that the Landlord or Management Company is able to recover such VAT.

SCHEDULE 8

PROVISIONS FOR REVIEW OF THE RENT

1. For the purposes of this Schedule the following provisions have the following meanings: -
 - 1.1 "the Base Figure" means the Index figure for the month preceding the commencement of the Term;
 - 1.2 "the Increase" means the amount (if any) by which the Index for the month preceding the relevant Review Date exceeds the Base Figure;
 - 1.3 "the Index" means the "All Items" index figure of the Index of Retail Prices published by the relevant Ministry or Department and any successor thereto;
 - 1.4 "the Initial Rent" means the sum of £200.00 per annum;
 - 1.5 "Review Date" means 1 January 2020 and each fifth (5th) anniversary of such date thereafter; and
 - 1.6 "a Review Period" means a period beginning on any Review Date and ending on the day before the next Review Date thereafter.
2.
 - 2.1 Until the first Review Date the Rent is to be the Initial Rent and thereafter during each successive Review Period the rent is to be a sum equal to the greater of the Rent payable under this Lease immediately before the relevant Review Date or the revised Rent ascertained in accordance with this Schedule.
 - 2.2 The Rent for any Review Period is to be the Initial Rent plus the amount which bears the same proportion to the Initial Rent as the Increase bears to the Base Figure rounded up to the nearest £10 (ten pounds).
 - 2.3 If the reference base used to compile the Index changes after the date of this lease the figure taken to be shown in the Index after the change is to be the figure which would have been shown in the Index if the reference base current at the date of this lease had been retained.
 - 2.4 If it becomes impossible to calculate the Rent for any Review Period by reference to the Index because of any change in the methods used to compile the Index after the date of this lease or for any other reason whatever or if any dispute or question whatever arises between the parties as to the amount of the Rent for any Review Period or the construction or effect of this Schedule then the Rent for that Review Period or the disputed matter is to be determined by an arbitrator to be appointed either by agreement between the parties or in the absence of agreement by the President for the time being of the Royal Institution of Chartered Surveyors (or any successor body thereto) or any person authorised by him to make appointments on his behalf on the application of either the Landlord or the Tenant. The arbitrator is to have full power to determine what the increase in the Index would have been had it continued on the basis assumed for the operation of this rent review. If that determination is not in the opinion of the arbitrator possible then the arbitrator must determine a reasonable rent for the Demised Premises having regard to the purposes and intent of the provisions in this lease for the review of the rent.
 - 2.5 The Landlord shall give written notice to the Tenant of the amount of the Rent payable as from the relevant Review Date.

EXECUTED AS A DEED by two members)

of FIRST ALLIANCE PROPERTIES)

(FAREHAM REACH NO 3) LLP)

in the presence of:-)

Member 

Member 

EXECUTED AS A DEED by)

44 FINCHAMPSTEAD ROAD MANAGEMENT LIMITED)

in the presence of:-)

Director 

Director/Secretary 