These are the notes referred to on the following official copy

Title Number BK406009

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DATED 16 June

2006

M H CHARACTER HOMES LIMITED

and

HULBERT GATE MANAGEMENT LIMITED

and

NEIL BARON WALLINGTON

LEASE

Relating to
Flat 2 Hulbert Gate
16 Shute End
Wokingham
Berkshire
RG40 1BJ

We certify that this is a true copy of the original Francis & Co. Solicitors Oakfield Lydney Glos GL15 5HE

Harrison Li Solicitors LLP 2 Stanhope Gate Stanhope Road Camberley Surrey GU15 3DW Tel: 01276 27700 Fax: 01276 27799

Fax: 012/6 2//99 Email: <u>info@harrisonli.co.uk</u>

Schedule 1A to the Land Registration (Amendment) (No 2) Rules 2005

LR1. Date of lease

16h Jun

2006

LR2. Title number(s)

LR2.1 Landlord's title number:

BK220077

LR2.2 Other title numbers:

None applicable

LR3. Parties to this lease

Landlord:

M H CHARACTER HOMES LIMITED (Company No. 4001836) of Hunters Lodge, Fenns Lane, West End, Woking, Surrey GU24 9QF

Tenant:

NEIL BARON WALLINGTON of 4 Blackberries Close, School Lane, Burghfield Common, Berkshire RG7 3EY

Other parties:

HULBERT GATE MANAGEMENT LIMITED (Company No. 5614977) Temple House, 17 Dukes Ride, Crowthorne, Berkshire RG45 6LZ - Management Company

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.

Ground Floor Flat more fully described in The Second Schedule on page 10 of this Lease

LR5. Prescribed statements etc.

Not applicable

LR6. Term for which the Property is leased

The term as specified in this lease at clause 3 on page 6 of this Lease

15/08/2006

LR7. Premium

TWO HUNDRED AND FOURTEEN
THOUSAND POUNDS (£214,000) exclusive
of VAT

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

Not applicable to this Lease

LR11. Easements

LR11.1 Easements granted by this lease for the benefit of the Property: Those set out in Part 1 of the Third Schedule on page 11 of this Lease

LR11.2 Easements granted or reserved by this lease over the Property for the benefit of other property: Those set out in Part 2 of the Third Schedule on page 13 of this 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: "No disposition of the registered estate by the proprietor of the registered estate is to be registered without a certificate signed on behalf of Hulbert Gate Management Limited of 17 Dukes Ride Crowthorne RG45 6LZ by its secretary or conveyancer that the provisions of Clause 1.19 of the Fifth Schedule to this Lease have been complied with"

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

1. DEFINITIONS

The following definitions shall apply in this Lease:

1.1	"the Landlord"	The Company named as Landlord in LR3
1.2	"the Management Company"	The Company named as the Management Company in LR3
1.3	"the Lessee"	The Individual(s) named as Tenant in LR3
1.4	"the Price"	The Premium set out in LR7
1.5	"the Building"	that building known as Hulbert Gate, Shute End, Wokingham, Berkshire RG40 1BJ of which the Flat forms part shown edged blue on Plan 1 and which is part of the Landlord's Estate

1.6 "the Flat"

the Property as set out in LR4

1.7 "the Parking Space"

the car parking space edged red and marked number 2 on Plan 1

1.8 "the Landlord's Estate"

all land in respect of which the Landlord is the registered proprietor and as the same is described in the First Schedule hereto

1.9 "the Common Areas"

all hallways, staircases and landings within the Building shown tinted Green on Plan 2 including the Balcony tinted Orange on Plan 2 together with all roads parking spaces pedestrian ways footpaths amenity area landscaped areas and service strips now or hereafter constructed within the Landlord's Estate and the sewers pipes conduits kerbs and channels appurtenant thereto the Bin Store the Cycle Store together with the fences and/or walls and gates(including electrically operated gates) and the lighting columns (if any) within the Landlord's Estate which areas are shown for identification purposes hatched brown on the Plan 1

1.10 "the Service Charge Proportion"

One sixth (1/6th) of the estimate of the costs and expenses relating to the Building and one eleventh of the estimated costs and expenses relating to the Landlords Estate (other than the Building) to be incurred by the Management Company in accordance with the provisions of the Sixth Schedule or such other percentage as the Management Company shall from time to time reasonably determine

1.11	"the Service Media"	the channels sewers drains pipes
		watercourses conduits optical fibres wires
		cables gutters and other conducting media
:		whatsoever now or hereafter constructed
		within the Perpetuity Period
1.12	"the Services"	all foul and surface water sewers gas water electricity multimedia systems digital and analogue telecommunications
1.13	"the Bin Store"	the building shown tinted Green on Plan 1
1.14	"the Cycle Store"	the building shown tinted Orange on Plan 1
1.15	"the Plans"	the Plans numbered 1 and 2
1.16	"Perpetuity Period"	the period of 80 years from the 1st January 2005

2. RECITALS

WHEREAS:-

- 2.1 The Landlord is registered at the Land Registry with title absolute as proprietor of (inter alia) the Landlord's Estate
- 2.2 The Landlord intends to grant Leases of all flats in the Building in a form substantially similar to this demise
- 2.3 The Landlord has previously granted Leases of or intends hereafter to grant Leases of the flats in the Building other than the Flat and has in every such Lease imposed and intends in every future Lease to impose the restrictions set forth in the Fourth Schedule hereto to the intent that every lessee for the time being of any part of the Building or any flat therein may be able to enforce the observance of the said restrictions by the lessees or the occupiers for the time being of the other flats in the Building

- The Management Company (of which the Lessee is a member) has been formed for the purpose of (inter alia) maintaining and managing the Building the Common Areas and the Landlord's Estate as hereinafter provided
- 2.5 The Landlord has agreed with the Lessee for the grant to the Lessee of the Lease of the Flat and on the terms and conditions hereinafter appearing
- 2.6 Title is granted with full title guarantee but the covenant set out in Section 3(1)
 Law of Property (Miscellaneous Provisions) act 1994 does not extend to any
 charge incumbrance or other right which the Landlord does not know about

3. DEMISE

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NOW THIS DEED WITNESSETH as follows:-

In pursuance of the said agreement and in consideration of the Price now paid to the Landlord by the Lessee (the receipt whereof the Landlord hereby acknowledges) and of the rent hereinafter reserved and the covenants on the part of the Lessee hereinafter contained the Landlord hereby demises unto the Lessee ALL THAT the Flat TOGETHER WITH in common with the Landlord the Management Company and all persons authorised by the Landlord the easements rights and privileges referred to in LR 11.1 and more particularly specified in Part I of the Third Schedule hereto BUT EXCEPTING AND RESERVING thereout for the Landlord the Management Company and the lessees or occupiers of the other flats within the Landlord's Estate and its or their respective servants agents and licensees the easements rights and privileges referred to in LR11.2 and more particularly specified in Part II of the Third Schedule hereto TO HOLD the Flat unto the Lessee for the Term of ONE HUNDRED AND TWENTY-FIVE YEARS from the 25th day of December 2005 YIELDING AND PAYING therefore the ground rent in whichever sum shall apply as follows:

3.1 The sum of THREE HUNDRED AND FIFTY POUNDS (£350.00) for the first twenty-five years of the said term and SEVEN HUNDRED POUNDS (£700.00) for the second period of twenty-five years and ONE THOUSAND FOUR HUNDRED POUNDS (£1,400.00) for the third period of twenty-five years TWO THOUSAND EIGHT HUNDRED POUNDS (£2,800.00) for the fourth period of twenty-five years

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and FIVE THOUSAND SIX HUNDRED POUNDS (£5,600.00) thereafter until the end of the said term

- All such rent to be paid in advance in two equal instalments on the 25th December and the 24th June in each year the first of such payments being a proportion from the date hereof to the 24th December/23rd June next (as appropriate) to be made on the date hereof
 - 3.3 AND ALSO PAYING to the Landlord or Management Company or otherwise as the Landlord may direct the further sums specified in the Sixth Schedule hereto
- The Lessee HEREBY COVENANTS with the Landlord and as a separate covenant with the Management Company to observe and perform the covenants conditions rules and regulations specified in the Fourth and Fifth Schedules hereof
 - 3.5 The Landlord HEREBY COVENANTS with the Lessee to observe and perform the covenants and obligations specified in the Eighth Schedule hereto

3.6 The Management Company HEREBY COVENANTS with the Landlord and as a separate covenant with the Lessee to observe and perform the covenants and obligations specified in the Seventh and Eighth Schedules hereto

4. AGREEMENTS AND DECLARATIONS

PROVIDED ALWAYS AND IT IS HEREBY MUTUALLY AGREED AND DECLARED as follows:-

4.1 If any rents or service charges hereby reserved or any part thereof shall be unpaid for twenty-one days after the same shall have become due (whether any formal demand therefore shall have been made or not) or if any of the covenants obligations or restrictions on the Lessee's part herein shall not be performed and observed it shall be lawful for the Landlord or any person authorised by it at any time thereafter to re-enter the Flat or any part thereof in the name of the whole and to repossess and enjoy the same and thereupon this demise shall absolutely determine but without prejudice to any rights of action or remedy of the Landlord in respect of any breach or non-observance of the covenants on the part of the Lessee herein contained

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- For the purpose of service of all notices hereby or by statute authorised to be served the provisions as to service of notices contained in Section 196 of the Law of Property Act 1925 as amended by the Recorded Delivery Service Act 1962 shall be deemed to be incorporated herein
- 4.3 If any dispute shall arise between the parties hereto with regard to the construction or effect of this Lease or any provision hereof or otherwise in connection with the Flat then subject to any contrary provision contained herein such dispute shall be determined by a single arbitrator appointed by the President for the time being of the Law Society in accordance with the provisions of the Arbitration Act 1996 or any statutory re-enactment or modification thereof
- 4.4 The Landlord shall not be held responsible for any damage caused by any want of repair to the Landlord's Estate or any part or parts thereof or any defect for which the Landlord or the Management Company is liable unless and until notice in writing of any such want of repair or defect has been brought to the notice of the Landlord and the Management Company in writing and the Landlord and the Management Company has failed to make good or remedy such want of repair or defect within a reasonable time of the receipt of such notice
- 4.5 Nothing in this clause shall prejudice the Management Company's right to recover from the Lessee the amount or value of any loss or damage suffered by or caused to the Management Company or the Landlord's Estate or any part or parts thereof by the negligence or any wrongful act or default of the Lessee or persons for whom the Lessee is responsible
- 4.6 Neither the Landlord nor the Management Company shall be liable to the Lessee for any loss or damage or inconvenience occasioned by the breakdown of any plant machinery or installations within the Landlord's Estate or interruption in the provision to the Flat of water gas electricity telephone and other services due to or arising from any malfunction or the carrying out of repairs modifications and renewal of any such plant machinery installations and services or for any other reasons beyond the Management Company's or the Landlord's control

- 4.7 The Landlord shall not be liable to the Lessee for any neglect default omission or misconduct of any employee or agent of the Management Company
- 4.8 The Management Company (acting reasonably) may in the interests of good estate management at any time alter add to or amend the regulations contained in the Fifth Schedule following the passing of an ordinary resolution to do so

IN WITNESS whereof the parties hereto have duly executed this Lease as a deed

FIRST SCHEDULE before referred to Description of the Landlord's Estate

ALL THAT freehold land known as Hulbert Gate, Shute End, Wokingham, Berkshire edged red on Plan 1 all of which said property is registered at the Land Registry with title absolute under Title Number BK220077

SECOND SCHEDULE before referred to Description of the Flat

ALL THAT the Flat edged red on Plan 2 and known as 2 Hulbert Gate, Shute End, Wokingham, Berkshire RG40 1BJ

- the internal surface of the entrance door giving immediate access to the Flat and the internal surface of the frame of such door
- the plaster on the interior of the external walls of the Flat and on the interior of the walls of the Flat dividing the same from the adjoining flats and plaster on the ceiling of the Flat
- the walls and partitions lying wholly within the Flat including the doors and door frames fitting in such walls
- 4. the upper surface of the floor boards forming the floor of the Flat or the upper surface of the concrete screed on the floor where such floor is solid

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- the interior surfaces of the windows and window frames of the Flat
- all Service Media and radiators sanitary ware and all other fixtures and fittings incorporated within the Flat which serve the Flat exclusively

THIRD SCHEDULE before referred to PART I

Easements rights and privileges granted to the Lessee (in so far as the Landlord is able to grant the same)

- The rights of shelter protection and support and other easements or quasi easements as presently enjoyed by the Flat from the rest of the Building and all other parts of the Landlord's Estate.
- 2. The right for the Lessee and his servants and licensees (in common with all others entitled to the like right) at all times for all purposes incidental to the occupation and enjoyment of the Flat but not further or otherwise to use the Common Areas within the Building which lead to and serve the Flat together with the Common Areas within the Landlord's Estate
- 3. The free and uninterrupted passage and running of Services to and from the Flat through the Service Media which are now or may within the Perpetuity Period be laid in under or passing through the Building the Common Areas the Landlord's Estate or any part thereof
 - The right for the Lessee with servants workmen and others at all reasonable times to enter into and upon such other parts of the Building the Common Areas and the Landlord's Estate as are necessary for the proper performance of the covenants and obligations on the part of the Lessee herein contained provided that (except in the case of emergency when no notice shall be required) the Lessee gives to the owners of the other flats within the Building where entry to such flats is required at least twenty-four hours previous notice in writing and in respect of the Common Areas gives to the Management Company or Landlord at least seven working days previous notice in writing and provided further that the Lessee causes as little damage as possible in

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the exercise of such rights and makes good any damage caused thereby to the satisfaction of the Management Company or Landlord in all cases

- 5. The right to pass on foot (and where appropriate) with or without vehicles along the Common Areas as comprise roads parking spaces footpaths and accesses as may be necessary to gain access to and egress from the Building the Flat the Parking Space the Cycle Store and the Bin Store
- 6. The exclusive right to park a domestic private motor vehicle on the Parking Space or such other Parking Space as shall from time to time on a temporary basis be designated by the Landlord or the Management Company for use by the Lessee
- 7. The right to use the Bin Store and the Cycle Store
 - 8. The right to use the Service Media in over or under the Landlord's Estate for the passage of Services
 - 9. The right to use the Common Areas for the purpose of recreation subject to any restriction herein and to any further regulations which may be made by the Management Company pursuant to Clause 4.8 hereof
 - 10. The benefit of the covenants and restrictions contained in the Leases of the other parts of the Landlord's Estate granted or to be granted
 - 11. The right to connect at the point (if any) provided in the Flat with the multimedia installation and (subject to payment of the relevant portion of any subscription charge) to connect to any satellite or digital television point in the roof space of the Building
 - 12. The right to use any communal entry audio video system now or within the Perpetuity Period installed within the Building
 - 13. The exclusive right to use at all times and for all domestic purposes ancillary to the use of the Flat the Balcony tinted Orange on Plan 2

PART II

Easements rights and privileges reserved to the Landlord and the Management Company

Excepting and reserving out of this demise to the Landlord the Management Company and the lessees for the time being of the other parts of the Building

- To use the Service Media comprised within the Flat for the passage of the Services
- To have the adjoining parts of the Building comprised in the Landlord's Estate supported sheltered and protected by the Flat
 - 3. To enter upon the Flat at all reasonable times (and at any time in an emergency) as may be necessary for the purposes of inspecting maintaining repairing and renewing the Building and the Service Media comprised in the Flat
 - 4. To install run use and maintain a multimedia television aerial installation (including digital television) and all necessary ancillary wires apparatus and equipment on in or through the Flat
 - 5. To run use and maintain the entry audio video system to the Flat

PROVIDED that (except in the case of emergency when no notice shall be required) the person exercising any of the foregoing rights gives to the Lessee reasonable notice in writing and causes as little damage as possible and makes good any damage caused to the reasonable satisfaction of the Lessee

THE FOURTH SCHEDULE hereinbefore referred to The Restrictions imposed in respect of each Flat

- 1. Not to use or permit to be used the Flat otherwise than as a private dwelling unit in the occupation of a single household
- 2. Not to erect or display or cause or permit to be erected or displayed any advertising board or hoarding or any advertising material of any description whatsoever upon the Flat
- 3. Not to carry out cause or permit to be carried out any activity upon the Flat or upon any other part of the Landlord's Estate that shall be or become a nuisance or annoyance to the Landlord the owners or occupiers of any neighbouring property
- 4. Not to keep cause or permit to be kept stored or parked any caravan motorised caravan commercial vehicle trailer horse box or boat nor to repair any vehicle anywhere in or upon the Landlord's Estate and in particular not to repair any vehicle on any part of the Landlord's Estate
- 5. No laundry clothes linen or other materials shall be hung placed or exposed upon any part of the Landlord's Estate save within any area designated as a drying area (if any) by the Landlord or the Management Company
- 6. Not to erect nor to cause to be erected in or upon any exterior part of the Flat any radio television satellite dish or other aerial or similar apparatus for receiving radio telegraphic or other signals
- 7. Not to leave or deposit any dangerous or offensive goods on the Flat or in the Building or in the grounds of the Landlord's Estate nor use the Flat or any part thereof for the purpose of any profession business or trade whatsoever nor for any illegal or immoral purpose
- 8. Not to permit the playing of any musical instrument (including wireless television or gramophone) so as to be audible outside the Flat

- 9. Not without the prior consent of the Landlord and the Management Company to keep any animals in the Flat or allow the same or those belonging to a visitor onto the Common Areas
- 10. Not to place any flower pots or other things outside the windows of the Flat
- Not to use any electrical device in the Flat without an effective suppressor fitted thereto
- 12. Not to permit any children to play in or obstruct the user of the Common Areas within the Building
- 13. Not to use the Common Areas other than for recreational purposes and not to play ball games nor construct erect or use bonfires barbecues or marquees nor exercise the use of bicycles roller skates or skateboards
- 14. Not to use the Bin Store other than for the storage of refuse bins and the Cycle Store for the storage of bicycles
- 15. Not to block or permanently obstruct the Common Areas.
- 16. Not to permanently store household items or place any washing on the Balcony tinted Orange on the Plan 2

THE FIFTH SCHEDULE before referred to Covenants and obligations to be observed and performed by the Lessee

- 1. The Lessee hereby covenants with the Management Company and as a separate covenant severally with the Landlord and with the lessees of the other flats comprised in the Building as follows:
- to pay the said yearly rent during the Term at the times and in the manner aforesaid without any deduction save as the Lessee is required by law to deduct

- to pay and discharge and keep the Landlord indemnified from and against all rates taxes assessments charges impositions and outgoings which may at any time during the Term be assessed charged or imposed upon the Flat or the owner or occupier in respect thereof and in the event of any rates taxes assessments charges impositions and outgoings being assessed charged or imposed in respect of the Landlord's Estate as a whole or any part thereof to pay to the Landlord if no notice as aforesaid has been served on demand the proper proportion of such rates taxes assessments charges impositions and outgoings attributable to the Flat with such proportion being determined by the Landlord's Surveyor for the time being whose decision shall in the absence of manifest error be final
- to pay all VAT (or Tax of a similar nature) chargeable in respect of any apayment made by the Landlord or the Management Company where the Lessee agrees in this Lease to reimburse such payment
- 1.4 to keep the Flat and all additions thereto and the Landlord's fixtures and fittings sanitary apparatus and appurtenances installed therein or affixed thereto (but excluding any portion thereof which the Management Company covenants to repair under the provisions of the Seventh Schedule hereto) well and substantially repaired cleansed maintained and renewed (damage by any risk against which the Landlord shall have insured save where the insurance moneys shall be irrecoverable by reason of any act or default of the Lessee his family servants or agents nevertheless excepted) and to replace from time to time all Landlord's fixtures and fittings and appurtenances in the Flat which may be or become beyond repair at any time during or at the expiration or sooner determination of the Term
- In the fifth year of the Term and in every fifth year thereafter and in the last year of the Term howsoever the same is determined to paint with two coats of good quality paint and redecorate in a good and workmanlike manner all parts of the Flat heretofore or usually painted or decorated
- 1.6 not to carry out decorations to the exterior of the Flat

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- not to make or permit or suffer to be made any addition or alteration structural or otherwise to or in the Flat or any part thereof nor to make any waste nor cut maim injure or remove any of the party or other walls or the principal or bearing concrete lintels or steel or other supports **PROVIDED THAT** the Lessee may with the prior written permission of the Landlord which permission shall not be unreasonably withheld carry out non-structural alterations to the interior of the Flat
- 1.8 not to make any alteration or addition to or remove or replace the whole or any part of the plumbing drainage and electrical system serving or running in on under or through the Flat without first obtaining the consent in writing of the Landlord which consent shall not be unreasonably withheld

- 1.9 to keep all baths lavatories cisterns waste soil and other pipes and Service Media connected to the Flat to the extent only that they pass through the Flat clean and open and not to suffer dirt rubbish rags or other refuse to be thrown or dropped therein and to keep all exposed water pipes within the Flat reasonably protected from frost and also to clean the inside of all windows and window frames of the Flat at least once in every month
- 1.10 to permit the Management Company and the Landlord and their servants and others with their authority at all reasonable times by appointment (except in an emergency when no such appointment shall be necessary) to enter the Flat and examine the state of repair condition and decoration thereof and to take an inventory of the Landlord's fixtures and fittings then in and about the same and to repair and make good all defects or wants of repair and decoration of which notice in writing shall be given by the Landlord to the Lessee within one calendar month (or sooner in the case of an emergency) after the giving of notice and if the Lessee shall at any time make default in the performance of any of the covenants herein contained for or relating to the repair or decoration of the Flat it shall be lawful for the Landlord (without prejudice to the right of re-entry under the provisions herein contained) to enter upon the Flat and repair or redecorate the same at the expense of the Lessee in accordance with the covenants and provisions of this Lease and the expenses of such repairs or decorations shall be a debt due from the Lessee to the Landlord and shall be repaid on demand

- at the expiration or sooner determination of the said term peaceably to surrender and yield up to the Landlord all and singular the Flat together with all additions thereto and all Landlord's fixtures and fittings therein in good and substantial repair and condition
 - 1.12 to comply in all respects with the provisions of the Town and Country Planning Act 1990 as amended or any statutory modification or re-enactment thereof for the time being in force and any regulations made thereunder and to indemnify the Landlord against any breach thereof
- 1.13 to execute all such works as are or may under or in pursuance of any Act or Acts of Parliament already or hereafter to be passed or any other regulations to be directed or required by an local public or other competent authority to be executed at any time during the Term upon or in respect of the Flat whether by the Landlord or the Lessee and keep the Landlord indemnified against all claims demands and liabilities arising there from and to pay any costs incurred by the Landlord in abating any nuisance at the Flat
 - 1.14 not to use the Flat or permit the same to be used for any purpose whatsoever other than as a self-contained private dwelling for residential purposes only
 - 1.15 to pay all costs charges and expenses (including Solicitor's costs and Surveyor's fees) incurred by the Landlord for the purpose of or incidental to the preparation and service of a notice under Section 146 of the Law of Property Act 1925 notwithstanding that forfeiture may be avoided otherwise than by relief granted by the Gate or in connection with the preparation and service of Schedules of Dilapidation (whether during the Term or following the expiration thereof) and the supervision of the works schedule thereon
 - 1.16 forthwith after the service upon the Lessee of any notice affecting the Flat served by a person body or authority (other than the Landlord) to deliver a true copy thereof to the Landlord and if so required by the Landlord to join with the Landlord in making such objections or representations to any such person body or authority as the Landlord considers desirable and to join with the Landlord in any such appeal against any order or direction affecting the Flat as the Landlord may consider desirable

- 1.17 not at any time to assign transfer sub-let charge or part with possession of part only of the Flat
- 1.18 not to assign the Flat except to a Purchaser who will at the date of the assignment become a member of the Management Company and will receive by way of transfer the share in the Management Company of the Lessee
- in every assignment transfer or sub-letting of the Flat to procure that the assignee or the sub-tenant as the case may be enters into a Deed of Covenant with the Landlord and the Management Company (at the cost of the Lessee) to observe and perform the covenants conditions and obligations on the part of the Lessee (and in the case of an assignment or transfer to pay the rents hereby reserved). Provided that nothing in this sub-clause shall require a sub-tenant to enter into a Deed of Covenant in the event that the sub-tenancy is an assured shorthold tenancy and is for a period of no more than one year.
- 1.20 after the date of any instrument purporting to transfer charge dispose of or affect the Flat or after the date of the grant of any probate letters of administration order of Gate or other instrument affecting or evidencing or devolution of title as regards the Term to produce a certified copy of the same to the Landlord's and the Management Company's Solicitors for the purposes of registration with the Landlord and the Management Company and to pay to such solicitors in respect of each document such sum as they shall reasonably require being not less than £35 for each document together with value added tax at the rate current at the date of production as aforesaid (but only one such fee while the same solicitors act for the Landlord and the Management Company)
- 1.21 to permit the Landlord or its Surveyors and Agents at any time during the last three months of the Term howsoever the same shall be determined to affix and exhibit without interference upon any part of the Flat a suitable notice that the Flat are to be sold or let and also by appointment at all convenient hours in the day time to enter upon the Flat and to show the same to any persons desiring to view the same and allow any persons producing a written

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authority from the Landlord or its Surveyors or Agents to enter and view the same as aforesaid PROVIDED that the Lessee is given reasonable prior notice in writing and subject to the person exercising the rights causing as little damage as possible and making good any damage so caused to the reasonable satisfaction of the Lessee

- to afford similar facilities to those specified in the immediately preceding clause to any person interested in acquiring the Landlord's reversion in the Flat and who produces a written authority from the Landlord or its Surveyors or Agents to that effect PROVIDED that the Lessee is given reasonable prior notice in writing and subject to the person exercising the rights causing as little damage as possible and making good any damage so caused to the reasonable satisfaction of the Lessee
- to comply with and observe any restrictions in addition to those contained in 1.23 the Fourth Schedule hereto which the Landlord may reasonably make to govern the use of the Flat and the Landlord's Estate and of which notice has been given to the Lessee
 - to make good all damage caused through the act or default of the Lessee or 1.24 of any servant or agent or visitor of the Lessee:
 - to any part of the Landlord's Estate or to the appointments or the (i) fixtures and fittings thereof and
 - to any other occupier or lessee of the Landlord's Estate and their (ii) licensees and

in each case to keep the Landlord indemnified against all claims expenses and demands in respect thereof

- to pay all charges to the persons supplying the water gas and electricity 1.25 consumed in the Flat
- not at any time during the continuance of the Term to do or omit or permit to 1.26 be done or omitted anything on the Flat the doing or omission of which shall be in contravention of the Town and Country Planning Acts and to indemnify the Landlord against all actions proceedings damages penalties costs

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charges claims and demands in respect of such acts or omissions or any of them

- on the date hereof the Lessee shall become a member of the Management Company and shall receive a share in the Management Company
- not to do or permit to be done any act or thing which may render void or 1.28 voidable the policy or policies of insurance of the Landlord's Estate or any part thereof or which may cause any increased premium to be payable in respect of any such policy and to indemnify the Management Company against any increased or additional premium which by reason of any act or default of the Lessee may be required for effecting or keeping up any such insurance of the Landlord's Estate or any part or parts thereof and in the event of the Flat or the remainder of the Landlord's Estate or any part or parts thereof being damaged or destroyed by fire explosion or overflow of water at any time during the Term and the insurance money under insurance against fire explosion or overflow of water effected thereon by the Management Company being wholly or partially irrecoverable by reason solely or in part of any act or default of the Lessee then and in every such case the Lessee will forthwith repay to the Management Company the whole or as the case may be a fair proportion of the cost of rebuilding and reinstating the same and any dispute as to the proportion to be so contributed by the Lessee or otherwise in respect of or arising out of this provision shall be referred to a single Arbitrator to be appointed by the President for the time being of the Law Society in accordance with the provisions of the Arbitration Act 1996 or any statutory modification or re-enactment thereof for the time being in force
- 1.29 to observe and perform the restrictions set forth in the Fourth Schedule hereto and any other restrictions reasonably imposed by the Management Company or the Landlord.

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SIXTH SCHEDULE before referred to

The Service Charge

- The Lessee hereby further covenants with the Management Company and as a separate covenant with the Landlord and with and for the benefit of the other lessees in the Building (to the intent that the lessee for the time being of the Flat in addition to the Landlord may enforce the observance and performance by the other lessees) as follows:-
- 1.1 to pay an annual service charge (hereinafter called "the service charge") of such amount and at such times and in such manner as is specified in Clause 1.2 hereof
- the service charge shall be due yearly in advance on the first day of each accounting year of the Management Company (which shall for the purposes of this Lease be the period from the 25th December in each year to the 24th December next or such other period as the Landlord shall from time to time determine)
 - as soon as possible before or after the first day of such accounting year the Management Company or its appointed agents shall prepare an estimate of the costs expenses and outgoings that it estimates will be incurred during each accounting year in the performance of its covenants and obligations specified in the Seventh Schedule hereto and such estimate shall make due allowance for any excess of income over expenditure and due provision for any excess of expenditure over income during preceding years and the Lessee shall pay to the Management Company a provisional sum determined by the Management Company on account of the Service Charge based on such estimate on the 25th December in each year
 - the amount of the service charge each year shall be the Service Charge Proportion which shall be paid on account of the total amount of the service charge due from the Lessee for the respective service charge year
 - the service charge shall be paid by the Lessee not later than twenty-one days after the delivery to or the service on the Lessee by the Management

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Company or its appointed agents of a demand therefore (accompanied by a copy of the estimate prepared by the Management Company aforesaid). In the event of the service charge not being paid within the twenty-one day period as aforesaid the Management Company shall be entitled to recover from the Lessee compound interest on any amount outstanding at the rate of four per centum per annum above the Base Rate of the Management Company's Bankers with quarterly rests from the date that such payment became due up to and including the date of payment

- as soon as possible after the end of each accounting year the Management Company shall cause to be prepared and delivered to the Lessee an account showing the actual income and expenditure of the Management Company during such year and giving details of any deficit on the account or any surplus carried forward to the succeeding year
- 1.7 if any part of the service charge received from the Lessee in any accounting year is not actually expended by the Management Company in that accounting year any such money shall be held by the Management Company upon trust to expend it in connection with the matters set out in the Seventh Schedule and subject thereto upon trust for the lessees of the Landlords Estate
- 1.8 if there is a deficit between the service charge paid on account by the Lessee and the total amount of the Service Charge Proportion due for the year by the Lessee the Lessee will within 14 days of delivery of the account referred to above pay the balance due to the Management Company
- 1.9 where this Lease commences or is determined part of the way through the Management Company's accounting year the service charge payable by the Lessee shall be apportioned pro rata
- the Lessee will pay on the date hereof an initial sum on account of the service charge liability herein

SEVENTH SCHEDULE before referred to Covenants and obligations to be performed by the Management Company

Subject to the payment by the Lessee of the service charge as hereinbefore provided the Management Company hereby covenants with the Lessee at all times hereafter:

- To repair clean maintain and keep in a good and substantial state of repair maintenance and decoration and where necessary to renew:
 - (a) the exterior and structure of the Building of which the Flat forms part including in particular but without prejudice to the generality of the foregoing the roofs walls foundations gutters balustrades and rainwater pipes thereto including the exterior surfaces of the windows and the frames to the Flat
 - (b) the Service Media in under and upon the Landlord's Estate enjoyed or used in common by the Lessee and the occupiers of the flats within the Landlords Estate
 - (c) the Common Areas within the Building including all hand rails doors and exterior and interior surfaces of the windows and the frames thereof including any entry audio video system enjoyed or used by the Lessee in common as aforesaid
 - (d) the exterior surfaces of the doors and doorframes to the Flat
 - (e) the Common Areas of the Landlord's Estate including but not limited to the boundary fences gates (including any electrically operated gates and their apparatus) roadways footpaths lighting columns garden and landscaped areas parking spaces and amenity areas
 - (f) the emergency lighting and smoke alarm system with in the Building or heating system within the Common Areas of the Building
 - (g) the entry audio video system and any multimedia or security system

- (h) all other parts of the Landlord's Estate enjoyed or used by the Lessee in common as aforesaid and not the responsibility of any lessee of any flat within the Landlord's Estate
- To keep the Landlord's Estate including the Building at all times insured in the 2. joint names of the Landlord and the Management Company against loss or damage by fire explosion storm flood tempest bursting of water pipes impact by vehicle or aircraft subsidence and ground heave public and occupiers liability and any other risks which the Landlord or the Management Company may from time to time deem desirable with an insurance company nominated by the Landlord and the Management Company and through the Landlord's Agency in a sum equal to the full reinstatement rebuilding or replacement cost together with Architect's and Surveyor's professional fees including VAT in connection with any such rebuilding reinstatement or replacement and to make all payments necessary for the above purposes within 21 days after the same become due and (to provide full details of the policy or policies to the Lessee at the request and cost of the Lessee and use its reasonable endeavours to cause a note of the Lessee's and its Mortgagee's interests to be endorsed thereon) and the receipt for each such payment and to cause all moneys received by virtue of any such insurance to be forthwith laid out in rebuilding and reinstating the Building or Landlord's Estate or any part thereof in respect of which such moneys shall have become payable or been received and to make up any deficiency out of its own resources
- 3. As often as shall be required during the said Term but not more than once in every five years in a good and workmanlike manner to paint all of the exterior parts of the Landlord's Estate heretofore or usually painted with at least two coats of good quality paint
- 4. As often as shall be required during the Term but not more than once in every five years to paint and decorate in a good and workmanlike manner using where appropriate at least two coats of good quality paint all internal Common Areas of the Building as have heretofore or usually been painted and decorated

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- To keep clean and reasonably lighted heated and (where appropriate)
 suitably carpeted the internal Common Areas of the Building
- 6. To pay promptly and discharge all rates taxes and outgoings (if any) payable in respect of any part of the Landlord's Estate which is not comprised in any flat
- 7. To take all such action as it in its discretion considers necessary to ensure that the Lessee complies with the restrictions specified in the Fourth Schedule hereto and his covenants specified in the Fifth and Sixth Schedule hereto
- 8. To expend the service charge paid by the Lessee for the following purposes only and to do all such acts and things as may be necessitated thereby:
 - (a) the cost of observing and performing the covenants and obligations on the part of the Management Company contained in this Schedule
 - (b) the payment of all rates taxes and outgoings (if any) payable in respect of any part of the Landlord's Estate which is not comprised in any flat or in connection with the general management and maintenance thereof
 - (c) the cost of insurance of the Landlord's Estate and of maintaining such further insurance in connection with the Landlord's Estate as the Landlord and the Management Company may from time to time deem necessary in the performance of its obligations
 - (d) the cost of the employment of any managing agents legal or professional firms or of any other company or person in connection with the collection of service charges on the flats within the Landlord's Estate or in connection with the general management and maintenance thereof
 - (e) the cost of the purchase maintenance renewal and insurance of such furniture fittings equipment machinery plant apparatus fire electrical multimedia or aerial installations carpets and such items as the Management Company may from time to time deem necessary in the performance of its obligations

- (f) the establishment and maintenance of a Sinking Fund to facilitate the renewal and replacement of any of the items referred to in the immediately preceding sub-clauses and for the periodic repairs and decorations or improvements if such Sinking Fund shall at the discretion of the Management Company appear desirable
- (g) all costs charges and expenses incurred in the abatement of any nuisance or for securing compliance by the occupiers of flats within the Landlord's Estate with their covenants and obligations to the Landlord or for executing all such works as may be required to comply with any notice served by a local or other authority so far as the same is not the responsibility of the lessees and occupiers of the Landlord's Estate
- (h) without prejudice to the foregoing matters the costs of doing all such other acts matters and things as the Management Company may consider to be necessary advisable or in the interests of good estate management for the proper maintenance and administration of the Landlord's Estate as a high class residential block of flats
- 10. To comply with Clauses 1.3, 1.6 and 1.7 of the Sixth Schedule

EIGHTH SCHEDULE before referred to

Covenants by the Landlord and the Management Company with the Lessee

- 1. That the Lessee paying the rents and other sums hereby reserved and performing and observing the covenants conditions restrictions and agreements herein contained and on the Lessee's part to be performed and observed shall and may peaceably and quietly hold and enjoy the Flat during the Term without any interruption by the Landlord or any person rightfully claiming under or in trust for him
- 2. The Landlord will pay the service charge for any flat during any time that the same is retained by the Landlord whether occupied or vacant where the

by the terms of their Leases or Agreements

- 3. If so required by the Lessee to enforce the covenants and conditions similar to those contained herein on the part of the Lessee entered into or to be entered into by the lessees of the other flats in the Landlord's Estate so far as they affect the Flat and the Lessee indemnifying the Landlord and the Management Company against all costs and expenses of such enforcement and giving reasonable security for such costs and expenses
- 4. That every Lease of a flat within the Landlord's Estate granted by the Landlord shall be in a like form to this Lease mutatis mutandis
- 5. The Landlord covenants that whilst the Management Company has no estate interest in the land comprising the Landlord's Estate that it shall observe and perform the covenants and obligations of the Management Company under the Seventh Schedule hereto should the Management Company fail or neglect to carry out the covenants and obligations under the Seventh Schedule the Management Company having first been reasonably required in writing to do so subject to the payment by the Lessee of all rents and Service Charge payments hereinbefore mentioned

EXECUTED as a **DEED** by the said **M H CHARACTER HOMES LIMITED**

Acting by its Director and Secretary

Director

Secretary

EXECUTED AS A DEED by

HULBERT GATE MANAGEMENT LIMITED

acting by a Director and Secretary

Director

Secretary

05/06/2006

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