

LOSS OF BUSINESS AND OFFICE SERVICES STATEMENT AT 90 LONDON STREET, READING, RG1 4SJ

This statement confirms the applicant's interest in converting an existing office space into six residential studio spaces where Starting Point (The Mustard Tree) ends its lease in November 2023.

Office space is reduced in area size but maintained on the ground floor. The space will be rented to a small local business in the area to help with the economy. Due to the surplus supply of offices, the applicant strongly believes that the conversion of the subject property to residential will better serve the community and will be a practical help to alleviate the pressure from the housing shortage in the UK.

The lease document for the current tenant is found at the end of the statement. The lease was transferred to Maycrest Bond when they purchased it. All commercial leases remain in the product owner's name until a new lease is created.

The lease states to end on 5 November 2023.

National Planning Policy Framework (NPPF) 2021

Paragraph 11 b) i) - strategic policies should, as a minimum, provide for objectively assessed needs for housing and other uses and any conditions that cannot be met within neighbouring areas unless. Applying policies in this Framework that protect areas or assets of particular importance provides a strong reason for restricting the overall scale, type or distribution of development in the plan area.

Paragraph 20 a) - Strategic policies should set out an overall strategy for the pattern, scale and design quality of places and make sufficient provision for housing (including affordable housing), employment, retail, leisure and other commercial development.

Paragraph 60 - To support the Government's objective of significantly boosting the supply of homes, it is essential that a sufficient amount and variety of land can come forward where it is needed and that the needs of groups with specific housing requirements are addressed. That land, with permission, is developed without unnecessary delay.

Paragraph 61 - To determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance – unless exceptional circumstances justify an alternative approach that reflects current and future demographic trends and market signals. In addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be considered in establishing the amount of housing to be planned.

Paragraph 62 - Within this context, the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes.

Paragraph 67 - Where it is impossible to provide a requirement figure for a neighbourhood area, the local planning authority should provide an indicative figure if requested by the neighbourhood planning body. This figure should consider factors such as the latest evidence of regional housing needs, the population of the neighbourhood area and the most recently available planning strategy of the local planning authority.

Paragraph 70 - Neighbourhood planning groups should also consider the opportunities for allocating small and medium-sized sites (of a size consistent with paragraph 69a) suitable for housing in their area.

Paragraph 120 d) - Promote and support the development of under-utilised land and buildings, significantly if this would help to meet identified needs for housing where land supply is constrained and available sites could be used more effectively (for example, converting space above shops and building on or above service yards, car parks, lock-ups and railway infrastructure)

paragraph 123 a) - Local planning authorities should also take a positive approach to applications for alternative uses of land which is currently developed but not allocated for a specific purpose in plans, where this would help to meet identified development needs. In particular, they should support proposals to use retail and employment land for homes in areas of high housing demand, provided this would not undermine key economic sectors or sites or the vitality and viability of the town.

Paragraph 124. a) – Planning policies and decisions should support development that makes efficient use of land, taking into account the identified need for different types of housing and other forms of development and the availability of land suitable for accommodating it;

Principle of Change of Use

CR2 Design in Central Reading states that ‘development will build on and respect the existing grid layout structure of the central area, providing continuity and frontages that engage with the street at lower levels. ‘

CR3 Public Realm in Central Reading states that the public realm should conserve and enhance the historic environment of the centre and the significance of heritage assets and their setting, including layout and materials.

CR6 Living in Central Reading requires new residential development within the central area to demonstrate the impact of noise and air pollution regarding the implications of residential

development and, if necessary, how its effect will be mitigated. Any new residential unit would be subject to policy H3 on affordable housing

Justifications against the Policy

The site is outside a core employment area, where Policy CS11 states that the overall level of employment land should be maintained.

When assessed against the criteria for loss of business and office services within the area outside these areas, the following should be noted:

- Access by car during general office hours could be better. Residential use would reduce the number of parking spaces and increase the number of bicycle spaces. As stated in Paragraph 5.12, "Growth in employment spaces ... should be supported by growth in housing levels, to prevent increases in ... commuting distances". There is ample employment for the residents in designated Core Employment Areas within walking distance of the site, so the proposal supports this objective. The railway station is also within walking distance.
- Modern expectations for cabling, lighting and mechanical services are hard to achieve in Grade II* listed building that is not residential.
- There is a surplus of similar sizes and types of accommodation in Reading.

- The site is in a central area where traffic congestion and its attendant pollution are problematic. Residential use would spread what traffic movements there are over a broader range of times, outside peak hours.
- There need to be more opportunities to provide quality housing in Reading. Many residential developments which are conversions from office use consist of minimal units of low quality. The proposed flats are generously sized and will be of high quality.
- The area is highly mixed, and residential use is adjoining the site.

Overall, the applicant believes there is an identified need for additional housing in this area. There are strong economic reasons why such development would be appropriate for the community. These proposals provide a strong concept of sustainable use of a listed building. Alternative uses of land or structures should be treated on their merits regarding market signals and the relative need for different land uses to support sustainable local communities.

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Ref: SJR/SH4/345
12/06/18
FINAL

Dated 26th June 2018

(1) Shirwell Limited

(2) The Mustard Tree Foundation
(Reading)

COUNTERPART

Lease relating to

90 London Street,

Reading

PRESCRIBED CLAUSES

LR1. Date of lease

26 / 06 / 2018

LR2. Title number(s)

LR2.1 Landlord's title number(s)

BK15253

LR2.2 Other title numbers

None

LR3. Parties to this lease

Landlord

SHIRWELL LIMITED

Hendford Manor, Hendford Yeovil Somerset BA20 1UN

704476

Tenant

The Mustard Tree Foundation (Reading)

90 London Street Reading RG1 4SJ

04986086

Other parties

None

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 this lease.

LR5. Prescribed statements etc.

See clause 45.

LR6. Term for which the Property is leased

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

LR7. Premium

None.

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 as specified in clause 3.2 of this lease.

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

The easements as specified in clause 4 of this lease.

LR12. Estate rentcharge burdening the Property

None.

LR13. Application for standard form of restriction

None.

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

This lease is dated

26th June

2018

Parties

- (1) Shirwell Limited, incorporated and registered in England and Wales with company number 704476 whose registered office is at Hendford Manor Hendford Yeovil Somerset BA20 1UN (Landlord).
- (2) The Mustard Tree Foundation (Reading), incorporated and registered in England and Wales with company number 04986086 whose registered office is at 90 London Street Reading RG1 4SJ (Tenant).

Agreed terms

1. Interpretation

- 1.1 The definitions and rules of interpretation set out in this clause apply to this lease.

Annual Rent	£ 23,000 per annum;
Break Date	6 November 2021
Break Notice	Written notice to terminate this Lease specifying the Break Date
Contractual Term	a term of 5 years beginning on, and including 6 November 2018 and ending on, and including 5 November 2023;
CDM Regulations	the Construction (Design and Management) Regulations 2015;
Default Interest Rate	four percentage points above the Interest Rate;
Insurance Rent	the aggregate in each year of the gross cost of the premium before any discount or commission for the insurance of:

- (a) the Property, other than any plate glass, for its full reinstatement cost (taking inflation of building costs into account) against loss or damage by or in consequence of the Insured Risks, including costs of demolition, site clearance, site protection and shoring-up, professionals' and statutory fees and incidental expenses, the cost of any work which may be required under any law and VAT in respect of all those costs, fees and expenses,
- (b) loss of Annual Rent of the Property for three years,
- (c) the gross cost of the premium (before any discount or commission) in relation to any

public liability insurance held by the landlord in relation to the Property; and

- (d) any insurance premium tax payable on the above.

Insured Risks

means fire, explosion, lightning, earthquake, storm, flood, bursting and overflowing of water tanks, apparatus or pipes, impact by aircraft and articles dropped from them, terrorism, impact by vehicles, riot, civil commotion and any other risks against which the Landlord decides to insure against from time to time and Insured Risk means any one of the Insured Risks;

Interest Rate

interest at the base lending rate from time to time of Lloyds TSB Bank plc, or if that base lending rate stops being used or published then at a comparable commercial rate reasonably determined by the Landlord;

Landlord's Property

Neighbouring

each and every part of the adjoining and neighbouring property in which the Landlord has an interest known as 90-94 London Street registered at HM Land Registry with title number BK15253;

LTA 1954

Landlord and Tenant Act 1954;

Permitted Use

Offices within Use Class B1 of the Town and Country Planning (Use Classes) Order 1987 as at the date this lease is granted;

Plan

The plan attached to this Lease

Property

the land and building at 90 London Street Reading shown edged red on the Plan but excluding any Service Media in, on, under or over the Property (whether in existence at the date of this lease or installed in the future) that are used by the Property in common with any other part of the Landlord's Neighbouring Land.

Rent Payment Dates

25 March, 24 June, 29 September and 25 December;

Reservations

all of the rights excepted, reserved and granted to the Landlord by this lease;

Service Media

the lifts and lift machinery and equipment and all media for the supply or removal of heat, electricity, gas, water, sewage, air conditioning energy, telecommunications, data and all other services and utilities and all structures, machinery

and equipment ancillary to those media;

Third Party Rights

all rights, covenants and restrictions affecting the Property including the matters referred to at the date of this lease in the property register and charges register of title number Bk15253;

VAT

value added tax chargeable under the Value Added Tax Act 1994 or any similar replacement or additional tax.

- 1.2 A reference to this lease, except a reference to the date of this lease or to the grant of the lease, is a reference to this deed and any deed, licence, consent, approval 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 its successors in title and assigns. A reference to a guarantor is to any guarantor of the tenant covenants of this lease including a guarantor who has entered into an authorised guarantee agreement.
- 1.4 In relation to any payment, a reference to a fair proportion is to a fair and proper proportion of the total amount payable, determined (except as to questions of law) by the Landlord acting reasonably.
- 1.5 The expressions landlord covenant and tenant covenant each has the meaning given to it by the Landlord and Tenant (Covenants) Act 1995.
- 1.6 Unless the context otherwise requires, a reference to the Property is to the whole and any part of it.
- 1.7 A reference to the term is to the Contractual Term
- 1.8 A reference to the end of the term is to the end of the term however it ends.
- 1.9 References to the consent of the Landlord are to the consent of the Landlord given in accordance with clause 38.4 and references to the approval of the Landlord are to the approval of the Landlord given in accordance with clause 38.5.
- 1.10 A working day is any day which is not a Saturday, a Sunday, a bank holiday or a public holiday in England.
- 1.11 Unless otherwise specified, a reference to a particular law is a reference to it as it is in force for the time being, taking account of any amendment, extension, application or re-enactment and includes any subordinate laws for the time being in force made under it and all orders, notices, codes of practice and guidance made under it.
- 1.12 A reference to laws in general is to all local, national and directly applicable supra-national laws in force for the time being, taking account of any amendment, extension, application or re-enactment and includes any subordinate laws for the time being in force made under them and all orders, notices, codes of practice and guidance made under them.
- 1.13 Any obligation in this lease on the Tenant not to do something includes an obligation not to agree to or suffer that thing to be done and an obligation to use reasonable endeavours to prevent that thing being done by another person.

Therapies



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90 London Street Reading

MS

[Handwritten signature]

- 1.14 Unless the context otherwise requires, where the words include(s) or including are used in this lease, they are deemed to have the words "without limitation" following them.
- 1.15 A person includes a corporate or unincorporated body.
- 1.16 References to writing or written do not include email.
- 1.17 Except where a contrary intention appears, a reference to a clause or Schedule, is a reference to a clause of, or Schedule to, this lease and a reference in a Schedule to a paragraph is to a paragraph of that Schedule.
- 1.18 Clause, Schedule and paragraph headings do not affect the interpretation of this lease.

2. Grant

- 2.1 The Landlord with full title guarantee the Property to the Tenant for the Contractual Term.
- 2.2 The grant is made together with the ancillary rights set out in clause 3, excepting and reserving to the Landlord the rights set out in clause 4, and subject to the Third Party Rights.
- 2.3 The grant is made with the Tenant paying the following as rent to the Landlord:
- 2.3.1 the Annual Rent and all VAT in respect of it;
 - 2.3.2 the Insurance Rent;
 - 2.3.3 all interest payable under this lease; and
 - 2.3.4 all other sums due under this lease.

3. Ancillary rights

- 3.1 Except as mentioned in clauses 3.2, 3.3 and 3.4, neither the grant of this lease nor anything in it confers any right over neighbouring property nor is to be taken to show that the Tenant may have any right over neighbouring property, and section 62 of the Law of Property Act 1925 does not apply to this lease.
- 3.2 The right of support and protection from those parts of the Landlord's Neighbouring Property that afford support and protection for the Property at the date of this Lease and to the extent that such support and protection exists at the date of this Lease
- 3.3 The right to use any Service Media within the landlord's Neighbouring Property that belong to the Landlord and which serve (but do not form part of) the Property which are in existence at the date of this Lease
- 3.4 The right to park up to six (6) private motor vehicles (but not vans or lorries) on such of the parking spaces in the communal car park shown hatched green on the Plan as the Landlord may from time to time allocate and the right to pass and repass with vehicles over and along the communal car park for the purposes of access to and egress from such car parking spaces.
- 3.5 The Rights are granted in common with the Landlord and any other person authorised by the Landlord.

- 3.6 The Rights are granted subject to the Third Party Rights and the Tenant shall not exercise any of the Rights so as to interfere with any Third Party Right.
- 3.7 The Tenant shall exercise the Rights only in connection with its use of the Property for the Permitted Use.
- 3.8 The Tenant shall comply with all laws relating to its use of any part of the Building pursuant to the Rights.

4. **Rights excepted and reserved**

- 4.1 The following rights are excepted and reserved from this lease to the Landlord for the benefit of the Landlord's Neighbouring Property and to the extent possible for the benefit of any neighbouring or adjoining property in which the Landlord acquires an interest during the term:

- 4.1.1 rights of light, air, support and protection to the extent those rights are capable of being enjoyed at any time during the term;
- 4.1.2 the right to use and to connect into Service Media at the Property which are in existence at the date of this lease or which are installed or constructed during the Contractual Term;
- 4.1.3 at any time during the Contractual Term, the full and free right to develop the Landlord's Neighbouring Property and any neighbouring or adjoining property in which the Landlord acquires an interest during the term as the Landlord may think fit;
- 4.1.4 the right to erect scaffolding at the Property and attach it to any building or structure on the Property in connection with any of the Reservations which shall only remain in situ for the shortest period reasonably practicable PROVIDED THAT the Landlord shall use reasonable endeavours not to obstruct visibility of the Tenant's signage but in the event that there is obstruction the Landlord shall provide at its own cost additional temporary signage clearly stating the name and business of the Tenant in its corporate style and colours;
- 4.1.5 the right to build on or into any boundary wall of the Property in connection with any of the Reservations; and
- 4.1.6 the right to re-route any Service Media at or serving the Property or re-route any means of access to or egress from the Property;

notwithstanding that the exercise of any of the Reservations or the works carried out pursuant to them result in a reduction in the flow of light or air to the Property or loss of amenity for the Property provided that they do not materially affect the use and enjoyment of the Property for the Permitted Use and any works are carried out in such a manner so as to cause as little inconvenience and disturbance to the Tenant and its business as reasonably practicable with a minimum of damage being caused to the Property (any damage caused being made good without delay).

- 4.2 The Landlord reserves the right to enter the Property:
 - 4.2.1 to repair, maintain or replace any Service Media or structure relating to any of the Reservations; and
 - 4.2.2 for any other proper purpose mentioned in or connected with;

- (a) this lease;
- (b) the Reservations; and
- (c) the Landlord's interest in the Property.

- 4.3 The Reservations may be exercised by the Landlord and by anyone else who is or becomes entitled to exercise them, and by anyone authorised by the Landlord.
- 4.4 The Tenant shall allow all those entitled to exercise any right to enter the Property, to do so with their workers, contractors, agents and professional advisors, and to enter the Property at any reasonable time (whether or not during usual business hours) and, except in the case of an emergency, after having given reasonable notice (which need not be in writing) to the Tenant.

PROVIDED THAT the rights of entry shall only be exercised at reasonable times and on reasonable prior written notice (except in the case of emergency) and only where the purpose for which access is required cannot reasonably be carried out without entering the Property and PROVIDED FURTHER THAT the persons exercising such rights of entry shall cause the minimum of damage to the Property and as little inconvenience or disturbance to the Tenant or the Tenant's business as reasonably practicable making good any damage caused without delay

5. Third Party Rights

- 5.1 The Tenant shall comply with all obligations on the Landlord relating to the Third Party Rights (insofar as those obligations relate to the Property) and shall not do anything (even if otherwise permitted by this lease) that may interfere with any Third Party Right.
- 5.2 The Tenant shall allow the Landlord and any other person authorised by the terms of the Third Party Right to enter the Property in accordance with its terms.

6. The Annual Rent

- 6.1 The Tenant shall pay the Annual Rent and any VAT in respect of it by four equal instalments in advance on or before the Rent Payment Dates. The payments shall be made by banker's standing order or by any other method that the Landlord requires at any time by giving notice to the Tenant.
- 6.2 The first instalment of the Annual Rent and any VAT in respect of it shall be made on 6 November 2018 and shall be the proportion, calculated on a daily basis, in respect of the period from 6 November 2018 until the day before the next Rent Payment Date.

7. Insurance

- 7.1 Subject to clause 7.2, the Landlord shall keep the Property (other than any plate glass at the Property) insured at reasonable rates and upon reasonable terms against loss or damage by the Insured Risks for the sum which the Landlord considers to be its full reinstatement cost (taking inflation of building costs into account). The Landlord shall not be obliged to insure any part of the Property installed by the Tenant until such time as notice of the installation is given to the Landlord and subject always to the other provisions of this Lease with regard to alterations to the Property.
- 7.2 The Landlord's obligation to insure is subject to:

- 7.2.1 any exclusions, limitations, excesses and conditions that may be imposed by the insurers; and
 - 7.2.2 insurance being available in the London insurance market on reasonable terms acceptable to the Landlord.
- 7.3 The Tenant shall pay to the Landlord within 14 days of demand:
 - 7.3.1 the Insurance Rent;
 - 7.3.2 a fair proportion of any amount that is deducted or disallowed by the insurers pursuant to any excess provision in the insurance policy; and
 - 7.3.3 any costs that the Landlord incurs in obtaining a valuation of the Property for insurance purposes.

If the Landlord insures the Property together with other land, the amount of the Insurance Rent shall be a fair proportion of the total for the Property and the other land.

- 7.4 The Tenant shall:
 - 7.4.1 give the Landlord notice immediately any matter occurs that any insurer or underwriter may treat as material in deciding whether or on what terms to insure or to continue to insure the Property;
 - 7.4.2 not do or omit anything as a result of which any policy of insurance of the Property or any neighbouring property may become void or voidable or otherwise prejudiced, or the payment of any policy money may be withheld, nor (unless the Tenant has previously notified the Landlord and has paid any increased or additional premium) anything as a result of which any increased or additional insurance premium may become payable;
 - 7.4.3 comply at all times with the requirements and recommendations of the insurers relating to the Property;
 - 7.4.4 give the Landlord immediate notice of the occurrence of any damage or loss relating to the Property arising from an Insured Risk or of any other event that might affect any insurance policy relating to the Property;
 - 7.4.5 not effect any insurance of the Property (except any plate glass) at the Property, but if it becomes entitled to the benefit of any insurance proceeds in respect of the Property (other than in respect of plate glass) pay those proceeds or cause them to be paid to the Landlord; and
 - 7.4.6 pay the Landlord an amount equal to any insurance money that the insurers of the Property 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 Property with the actual or implied authority of any of them.
- 7.5 The Landlord shall, subject to obtaining all necessary planning and other consents, use all insurance money received (other than for loss of rent) to repair the damage for which the money has been received or (as the case may be) in rebuilding the Property. The Landlord shall not be obliged to:

- 7.5.1 provide accommodation identical in layout or design so long as accommodation reasonably equivalent to that previously at the Property is provided; or
 - 7.5.2 repair or rebuild if the Tenant has failed to pay any of the Insurance Rent; or
 - 7.5.3 repair or rebuild the Property after a notice has been served pursuant to clause 7.7 or clause 7.8.
- 7.6 If the Property is damaged or destroyed by an Insured Risk so as to be unfit for occupation and use then, unless the policy of insurance of the Property has been vitiated in whole or in part in consequence of any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any other person on the Property with the actual or implied authority of any of them, payment of the Annual Rent, or a fair proportion of it according to the nature and extent of the damage, shall be suspended until the Property has been reinstated and made fit for occupation and use, or until the end of three years from the date of damage or destruction, if sooner.
- 7.7 If, following damage to or destruction of the Property, the Landlord considers that it is impossible or impractical to reinstate the Property, the Landlord may terminate this lease by giving notice to the Tenant. On giving notice this lease shall determine but this shall be without prejudice to any right or remedy of the Landlord in respect of any breach of the tenant covenants of this lease. Any proceeds of the insurance (other than any insurance for plate glass) shall belong to the Landlord.
- 7.8 Provided that the Tenant has complied with its obligations in this clause, the Tenant may terminate this lease by giving notice to the Landlord if, following damage or destruction by an Insured Risk, the Property has not been reinstated so as to be fit for occupation and use within three years after the date of damage or destruction. On giving this notice this lease shall determine but this shall be without prejudice to any right or remedy of the Landlord in respect of any breach of the tenant covenants of this lease. Any proceeds of the insurance (other than any insurance for plate glass) shall belong to the Landlord.

8. Rates and taxes

- 8.1 The Tenant shall 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:
 - 8.1.1 any taxes payable by the Landlord in connection with any dealing with or disposition of the reversion to this lease; or
 - 8.1.2 any taxes, other than VAT and insurance premium tax, payable by the Landlord by reason of the receipt of any of the rents due under this lease.
- 8.2 If any rates, taxes or other impositions are payable in respect of the Property together with other property, the Tenant shall pay a fair proportion of the amount payable.
- 8.3 The Tenant shall not make any proposal to alter the rateable value of the Property or that value as it appears on any draft rating list, without the approval of the Landlord which shall not be unreasonably withheld or delayed.

- 8.4 If, after the end of the term, the Landlord loses rating relief (or any similar relief or exemption) because it has been allowed to the Tenant, then the Tenant shall pay the Landlord an amount equal to the relief or exemption that the Landlord has lost.

9. Utilities

- 9.1 The Tenant shall 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.
- 9.2 If any of those costs are payable in relation to the Property together with other property, the Tenant shall pay a fair proportion of all those costs.
- 9.3 The Tenant shall comply with all laws and with any recommendations of the relevant suppliers relating to the use of those services and utilities.

10. Common items

- 10.1 The Tenant shall pay the Landlord within 28 days of demand a fair proportion of all costs payable for the maintenance, repair, lighting, cleaning and renewal of all Service Media, structures and other items used or capable of being used by the Property in common with other property excluding the items which are the Landlord's responsibility and set out in clause 33 and those items set out in clause 22.2 but including for the avoidance of doubt the communal car park referred to in clause 3.4.
- 10.2 The Tenant shall comply with all reasonable regulations the Landlord may make from time to time in connection with the use of any of those Service Media, structures or other items.

11. VAT

- 11.1 All sums payable by the Tenant are exclusive of any VAT that may be chargeable. The Tenant shall pay VAT (on receipt of a valid VAT invoice) in respect of all taxable supplies made to it in connection with this lease on the due date for making any payment or, if earlier, the date on which that supply is made for VAT purposes.
- 11.2 Every obligation on the Tenant, under or in connection with this lease, to pay the Landlord or any other person any sum by way of a refund or indemnity, shall include an obligation to pay an amount equal to any VAT incurred on that sum by the Landlord or other person, except to the extent that the Landlord or other person obtains credit for such VAT under the Value Added Tax Act 1994.

12. Default interest and interest

- 12.1 If any Annual Rent or any other money payable under this lease has not been paid by the date it is due, whether it has been formally demanded or not, the Tenant shall pay the Landlord interest at the Default Interest Rate (both before and after any judgment) on that amount for the period from the due date to and including the date of payment.
- 12.2 If the Landlord does not demand or accept any Annual Rent or other money due or tendered under this lease because the Landlord reasonably believes that the Tenant is in material breach of any of the tenant covenants of this lease, then the Tenant shall, when that amount is accepted by the Landlord, also pay interest at the Interest Rate on that amount for the period from the date the amount (or each part of it) became due until the date it is accepted by the Landlord.

13. **Costs**

13.1 The Tenant shall pay the reasonable and proper costs and expenses of the Landlord including any solicitors' or other professionals' costs and expenses (incurred both during and after the end of the term) in connection with:

13.1.1 the enforcement of the tenant covenants of this lease;

13.1.2 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;

13.1.3 serving any notice in connection with this lease under section 17 of the Landlord and Tenant (Covenants) Act 1995;

13.1.4 the preparation and service of a schedule of dilapidations in connection with this lease (both during and within 1 month of the end of the term only); and

13.1.5 any consent or approval applied for under this lease, whether or not it is granted.

13.2 Where the Tenant is obliged to pay or indemnify the Landlord against any solicitors' or other professionals' costs and expenses (whether under this or any other clause of this lease) that obligation extends to those costs and expenses assessed on a full indemnity basis.

14. **Compensation on vacating**

Any right of the Tenant or anyone deriving title under the Tenant to claim compensation from the Landlord on leaving the Property under the Landlord and Tenant Act 1927 or the LTA 1954 is excluded, except to the extent that the legislation prevents that right being excluded.

15. **No deduction, counterclaim or set-off**

The Annual Rent and all other money due under this lease are to be paid by the Tenant or any guarantor (as the case may be) without deduction, counterclaim or set-off save that if the Tenant is not given exclusive possession of the whole of the Property on 6th November 2018 they may reduce the rent paid by a fair proportion until such time as exclusive possession of the whole of the Property is given.

16. **Assignments**

16.1 The Tenant shall not assign the whole of this lease without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.

16.2 The Tenant shall not assign part only of this lease.

16.3 The Landlord and the Tenant agree that for the purposes of section 19(1A) of the Landlord and Tenant Act 1927 the Landlord may give its consent to an assignment subject to a condition that the assignor (and any former tenant who because of section 11 of the Landlord and Tenant (Covenants) Act 1995 has not been released from the tenant covenants of this lease) enters into an authorised guarantee agreement which:

- 16.3.1 is in respect of all the tenant covenants of this lease;
- 16.3.2 is in respect of the period beginning with the date the assignee becomes bound by those covenants and ending on the date when the assignee is released from those covenants by virtue of section 5 of the Landlord and Tenant (Covenants) Act 1995;
- 16.3.3 imposes principal debtor liability on the assignor (and any former tenant);
- 16.3.4 requires (in the event of a disclaimer of liability under this lease) the assignor (or former tenant as the case may be) to enter into a new tenancy for a term equal to the unexpired residue of the Contractual Term; and
- 16.3.5 is otherwise in a form reasonably required by the Landlord.
- 16.4 The Landlord and the Tenant agree that for the purposes of section 19(1A) of the Landlord and Tenant Act 1927 the Landlord may refuse its consent to an assignment if any Annual Rent or other money due under this lease is outstanding.
- 16.5 Nothing in this clause shall prevent the Landlord from giving consent subject to any other reasonable condition, nor from refusing consent to an assignment in any other circumstance where it is reasonable to do so.
- 17. **Underlettings**
 - 17.1 The Tenant shall not underlet the whole of the Property except in accordance with this clause nor without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.
 - 17.2 The Tenant shall not underlet part only of the Property.
 - 17.3 The Tenant shall not underlet the Property:
 - 17.3.1 together with any property or any right over property that is not included within this lease;
 - 17.3.2 at a fine or premium or reverse premium; nor
 - 17.3.3 allowing any rent free period to the undertenant.
 - 17.4 The Tenant shall not underlet the Property unless, before the underlease is granted, the Tenant has given the Landlord:
 - 17.4.1 a certified copy of the notice served on the undertenant, as required by section 38A(3)(a) of the LTA 1954, applying to the tenancy to be created by the underlease; and
 - 17.4.2 a certified copy of the declaration or statutory declaration made by the undertenant in accordance with the requirements of section 38A(3)(b) of the LTA 1954.
 - 17.5 Any underletting by the Tenant shall be by deed and shall include:
 - 17.5.1 an agreement between the Tenant and the undertenant that the provisions of sections 24 to 28 of the LTA 1954 are excluded from applying to the tenancy created by the underlease;

- 17.5.2 the reservation of a rent which is not less than the full open market rental value of the Property at the date the Property is underlet and which is payable at the same times as the Annual Rent under this lease;
- 17.5.3 a covenant by the undertenant, enforceable by and expressed to be enforceable by the Landlord (as superior landlord at the date of grant) and its successors in title in their own right, to observe and perform the tenant covenants in the underlease and any document that is supplemental or collateral to it and the tenant covenants in this lease, except the covenants to pay the rents reserved by this lease; and
- 17.5.4 provisions requiring the consent of the Landlord to be obtained in respect of any matter for which the consent of the Landlord is required under this lease,

and shall otherwise be consistent with and include tenant covenants no less onerous (other than as to the Annual Rent) than those in this lease and in a form approved by the Landlord, such approval not to be unreasonably withheld or delayed.

17.6 In relation to any underlease granted by the Tenant, the Tenant shall:

- 17.6.1 not vary the terms of the underlease nor accept a surrender of the underlease without the consent of the Landlord, such consent not to be unreasonably withheld or delayed;
- 17.6.2 enforce the tenant covenants in the underlease and not waive any of them nor allow any reduction in the rent payable under the underlease; and

18. **Sharing occupation**

The Tenant may share occupation of the Property with any company that is a member of the same group (within the meaning of section 42 of the LTA 1954) as the Tenant (for as long as that company remains within that group) or [Limited] or such other party as approved by the Landlord upon the tenant giving then full details of the same at least 2 months before the proposed occupation. No relationship of landlord and tenant is to be established by any sharing arrangement.

19. **Charging**

- 19.1 The Tenant shall not charge the whole of this lease without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.
- 19.2 The Tenant shall not charge part only of this lease.

20. **Prohibition of other dealings**

Except as expressly permitted by this lease, the Tenant shall not assign, underlet, charge, part with or share possession or share occupation of this lease or the Property or assign, part with or share any of the benefits or burdens of this lease, or in any interest derived from it, whether by a virtual assignment or other similar arrangement or hold the lease on trust for any person (except pending registration of a dealing permitted by this lease at HM Land Registry or by reason only of joint legal ownership).

21. **Registration and notification of dealings and occupation**

21.1 In this clause a Transaction is:

- 21.1.1 any dealing with this lease or the devolution or transmission of, or parting with possession of any interest in it; or
- 21.1.2 the creation of any underlease or other interest out of this lease, or out of any interest, underlease derived from it, and any dealing, devolution or transmission of, or parting with possession of any such interest or underlease; or
- 21.1.3 the making of any other arrangement for the occupation of the Property.

21.2 In respect of every Transaction that is registrable at HM Land Registry, the Tenant shall promptly following completion of the Transaction apply to register it (or procure that the relevant person so applies). The Tenant shall (or shall procure that) any requisitions raised by HM Land Registry in connection with an application to register a Transaction are dealt with promptly and properly. Within one month of completion of the registration, the Tenant shall send the Landlord official copies of its title (and where applicable of the undertenant's title).

21.3 No later than one month after a Transaction the Tenant shall:

- 21.3.1 give the Landlord's solicitors notice of the Transaction;
- 21.3.2 deliver two certified copies of any document effecting the Transaction to the Landlord's solicitors; and
- 21.3.3 pay the Landlord's solicitors a registration fee of £30 (plus VAT).

21.4 If the Landlord so requests, the Tenant shall promptly supply the Landlord with full details of the occupiers of the Property and the terms upon which they occupy it.

22. **Repairs**

22.1 The Tenant shall keep the Property (except the items mentioned in clause 22.2) clean and tidy and in good repair and condition save that the Tenant shall not be required to keep the Property in any better condition than as evidenced by the attached schedule of condition.

22.2 The Tenant shall not be required to repair, clean, tidy or maintain the following items:

- 22.2.1 The main roof forming part of the Property;
- 22.2.2 Any wet rot or woodworm and the Tenant shall not be required to carry out any tanking or extensive damp treatment in relation to the basement at the Property but the Tenant shall be required to carry out any other normal maintenance in respect of any damp in the basement;
- 22.2.3 Cleaning or decoration of any part of the exterior of the Property which has graffiti and where the cleaning of the same would fall under the Local Authority's remit.

22.3 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:

22.3.1 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 on the Property with the actual or implied authority of any of them; or

22.3.2 the insurance cover in relation to that disrepair is excluded, limited, is unavailable or has not been extended, as mentioned in clause 7.2.

23. Decoration

23.1 The Tenant shall decorate the outside and the inside of the Property as often as is reasonably necessary and also in the last three months before the end of the term.

23.2 All decoration shall be carried out in a good and proper manner using good quality materials that are appropriate to the Property and the Permitted Use and shall include all appropriate preparatory work.

23.3 All decoration carried out in the last three months of the term shall also be carried out to the satisfaction of the Landlord and using materials, designs and colours approved by the Landlord.

23.4 The Tenant shall replace the floor coverings at the Property within the three months before the end of the term with new ones of good quality and appropriate to the Property and the Permitted Use.

24. Alterations

24.1 The Tenant shall not make any external or structural alteration or addition to the Property and shall not make any opening in any boundary structure of the Property.

24.2 The Tenant shall not install any Service Media on the exterior of the Property nor alter the route of any Service Media at the Property without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.

24.3 The Tenant shall not make any internal, non-structural alteration to the Property without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.

25. Signs

25.1 In this clause Signs include signs, fascia, placards, boards, posters and advertisements.

25.2 The Tenant shall not attach any Signs to the exterior of the Property or display any inside the Property so as to be seen from the outside, without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.

25.3 Before the end of the term, the Tenant shall remove any Signs placed by it at the Property and shall make good any damage caused to the Property by that removal.

25.4 The Tenant shall allow the Landlord to fix to and keep at the Property any sale or re-letting board as the Landlord reasonably requires.

26. **Returning the Property to the Landlord**

- 26.1 At the end of the term the Tenant shall return the Property to the Landlord in the repair and condition required by this lease.
- 26.2 If the Landlord gives the Tenant notice, the Tenant shall remove items it has fixed to the Property, remove any alterations it has made to the Property and make good any damage caused to the Property by that removal.
- 26.3 At the end of the term, the Tenant shall remove from the Property all chattels belonging to or used by it.
- 26.4 The Tenant irrevocably appoints the Landlord to be the Tenant's agent to store or dispose of any chattels or items it has fixed to the Property and which have been left by the Tenant on the Property for more than ten working days after the end of the term. The Landlord shall not be liable to the Tenant by reason of that storage or disposal. The Tenant shall indemnify the Landlord in respect of any claim made by a third party in relation to that storage or disposal.
- 26.5 If the Tenant does not comply with its obligations in this clause, then, without prejudice to any other right or remedy of the Landlord, the Tenant shall pay the Landlord an amount equal to the Annual Rent at the rate reserved immediately before the end of the term for the period that it would reasonably take to put the Property into the condition it would have been in had the Tenant performed its obligations under this clause. The amount shall be a debt due within 28 days of demand from the Tenant to the Landlord.

27. **Use**

- 27.1 The Tenant shall not use the Property for any purpose other than the Permitted Use.
- 27.2 The Tenant shall not use the Property for any illegal purpose nor for any purpose or in a manner that would cause loss, damage, injury, nuisance or inconvenience to the Landlord, its other tenants or any other owner or occupier of neighbouring property.
- 27.3 The Tenant shall not overload any structural part of the Property nor any machinery or equipment at the Property nor any Service Media at or serving the Property.

28. **Compliance with laws**

- 28.1 The Tenant shall comply with all laws relating to:
- 28.1.1 the Property and the occupation and use of the Property by the Tenant;
 - 28.1.2 the use of all Service Media and machinery and equipment at or serving the Property;
 - 28.1.3 any works carried out at the Property; and
 - 28.1.4 all materials kept at or disposed from the Property.
- 28.2 Without prejudice to any obligation on the Tenant to obtain any consent or approval under this lease, the Tenant shall carry out all works that are required under any law to be carried out at the Property whether by the owner or the occupier.

- 28.3 Within five working days after receipt of any notice or other communication affecting the Property (and whether or not served pursuant to any law) the Tenant shall:
- 28.3.1 send a copy of the relevant document to the Landlord; and
 - 28.3.2 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 require.
- 28.4 The Tenant shall not apply for any planning permission for the Property without the Landlord's consent not to be unreasonably withheld or delayed.
- 28.5 The Tenant shall comply with its obligations under the CDM Regulations, including all requirements in relation to the provision and maintenance of a health and safety file. The Tenant shall maintain the health and safety file for the Property in accordance with the CDM Regulations and shall give it to the Landlord at the end of the term.
- 28.6 The Tenant shall supply all information to the Landlord that the Landlord reasonably requires from time to time to comply with the Landlord's obligations under the CDM Regulations.
- 28.7 As soon as the Tenant becomes aware of any defect in the Property, it shall give the Landlord notice of it. The Tenant shall indemnify the Landlord against any liability under the Defective Premises Act 1972 in relation to the Property by reason of any failure of the Tenant to comply with any of the tenant covenants in this lease.
- 28.8 The Tenant shall keep the Property equipped with all fire prevention, detection and fighting machinery and equipment and fire alarms which are required under all relevant laws or required by the insurers of the Property or reasonably recommended by them or reasonably required by the Landlord and shall keep that machinery, equipment and alarms properly maintained and available for inspection.
29. **Encroachments, obstructions and acquisition of rights**
- 29.1 The Tenant shall not grant any right or licence over the Property to a third party.
- 29.2 If a third party makes or attempts to make any encroachment over the Property or takes any action by which a right may be acquired over the Property, the Tenant shall:
- 29.2.1 immediately give notice to the Landlord; and
 - 29.2.2 take all steps (including any proceedings) the Landlord reasonably requires to prevent or license the continuation of that encroachment or action.
- 29.3 The Tenant shall not obstruct the flow of light or air to the Property nor obstruct any means of access to the Property.
- 29.4 The Tenant shall not make any acknowledgement that the flow of light or air to the Property or that the means of access to the Property is enjoyed with the consent of any third party.
- 29.5 If any person takes or threatens to take any action to obstruct the flow of light or air to the Property or obstruct the means of access to the Property, the Tenant shall:

- 29.5.1 immediately notify the Landlord; and
- 29.5.2 take all steps (including proceedings) the Landlord reasonably requires to prevent or secure the removal of the obstruction.

30. Breach of repair and maintenance obligation

- 30.1 The Landlord may enter the Property to inspect its condition and state of repair and may give the Tenant a notice of any breach of any of the tenant covenants in this lease relating to the condition or repair of the Property.
- 30.2 If the Tenant has not begun any works needed to remedy that breach within two months following that notice (or if works are required as a matter of emergency, then immediately) or if the Tenant is not carrying out the works with all due speed, then the Landlord may enter the Property and carry out the works needed.
- 30.3 The costs incurred by the Landlord in carrying out any works pursuant to this clause (and any professional fees and any VAT in respect of those costs) shall be a debt due from the Tenant to the Landlord and payable within 28 days of demand.
- 30.4 Any action taken by the Landlord pursuant to this clause shall be without prejudice to the Landlord's other rights, including those under clause 34.

31. Indemnity

The Tenant shall keep the Landlord indemnified against all expenses, costs, claims, damage and loss (including any diminution in the value of the Landlord's interest in the Property and loss of amenity of the Property) arising from any breach of any tenant covenants in this lease, or any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any other person on the Property with the actual or implied authority of any of them.

32. Landlord's covenant for quiet enjoyment

The Landlord covenants with the Tenant, that, 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 lawful interruption by the Landlord or any person claiming under the Landlord.

33. Landlord's Repair and Works

- 33.1 The Landlord shall use reasonable endeavours (upon being notified by the Tenant of any defect) to keep the following items in reasonable repair at the Landlord's cost:
 - 33.1.1 The main roof forming part of the Property.
- 33.2 The Landlord shall as soon as reasonably practicable before 6 November 2018 and unless stated otherwise at no cost to the Tenant procure that the following is carried out:
 - 33.2.1 Replacement or repair as necessary to the hot water heaters on the ground floor of the Property so that they are functional and safe;
 - 33.2.2 Fire risk assessment and provide this and documentation to the Tenant relating to the fire alarm system and emergency lighting installation or maintenance at the Property;

- 33.2.3 Asbestos survey relating to the Property;
- 33.2.4 An electrical test in relation to the Property (at the cost of the Tenant) and provide the results to the Tenant; and
- 33.2.5 Internal redecoration to the ground floor of the Property.

34. **Guarantee and indemnity**

- 34.1 For so long as any guarantor remains liable to the Landlord, the Tenant shall, if the Landlord requests, procure that that guarantor joins in any consent or approval required under this lease and consents to any variation of the tenant covenants of this lease.

35. **Re-entry and forfeiture**

- 35.1 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:

- 35.1.1 any rent is unpaid 21 days after becoming payable, in respect of the Annual Rent only whether it has been formally demanded or not;
- 35.1.2 any material breach of any condition of, or tenant covenant, in this lease;
- 35.1.3 where the Tenant or any guarantor is a corporation:
 - (a) entering into any voluntary arrangement or any other compromise or arrangement for the benefit of any creditors of the Tenant or guarantor; or
 - (b) the making of an administration order in relation to the Tenant or guarantor; or
 - (c) the appointment of an administrator, in any case in relation to the tenant or the guarantor; or
 - (d) the appointment of a receiver or manager or an administrative receiver in relation to any property or income of the Tenant or guarantor; or
 - (e) the commencement of a voluntary winding-up in respect of the Tenant or guarantor, except a winding-up for the purpose of amalgamation or reconstruction of a solvent company in respect of which a statutory declaration of solvency has been filed with the Registrar of Companies; or
 - (f) the making of a petition for a winding-up order or a winding-up order in respect of the Tenant or guarantor; or
 - (g) the striking-off of the Tenant or guarantor from the Register of Companies or the making of an application for the Tenant or the guarantor to be struck-off; or
 - (h) the Tenant or guarantor otherwise ceasing to exist,
- 35.1.4 where the Tenant or any guarantor is an individual;

- (a) the taking of any step in connection with any voluntary arrangement or any other compromise or arrangement for the benefit of any creditors of the Tenant or guarantor; or
 - (b) the presentation of a petition for a bankruptcy order or the making of a bankruptcy order against the Tenant or guarantor.
- 35.2 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 in respect of any breach of covenant by the Tenant or any guarantor.
- 36. **Liability**
 - 36.1 At any time when the Landlord, the Tenant or a guarantor is more than one person, then in each case those persons shall be jointly and severally liable for their respective obligations arising by virtue of this lease. The Landlord may release or compromise the liability of any one of those persons or grant any time or concession to any one of them without affecting the liability of any other of them.
 - 36.2 The obligations of the Tenant and any guarantor arising by virtue of this lease are owed to the Landlord and the obligations of the Landlord are owed to the Tenant.
 - 36.3 In any case where the facts are or should reasonably be known to the Tenant, the Landlord shall not be liable to the Tenant for any failure of the Landlord to perform any landlord covenant in this lease unless and until the Tenant has given the Landlord notice of the facts that give rise to the failure and the Landlord has not remedied the failure within a reasonable time.
- 37. **Entire agreement and exclusion of representations**
 - 37.1 This lease constitutes the entire agreement and understanding of the parties relating to the transaction contemplated by the grant of this lease and supersedes any previous agreement between the parties relating to the transaction.
 - 37.2 The Tenant acknowledges that in entering into this lease it is not relying on, and shall have no remedy in respect of, any statement or representation made by or on behalf of the Landlord.
 - 37.3 Nothing in this lease constitutes or shall constitute a representation or warranty that the Property may lawfully be used for any purpose allowed by this lease.
 - 37.4 Nothing in this clause shall, however, operate to limit or exclude any liability for fraud.
- 38. **Notices, consents and approvals**
 - 38.1 Except where this lease specifically states that a notice need not be in writing, or where notice is given in an emergency, any notice given pursuant to this lease shall be in writing.
 - 38.2 A written notice shall be delivered by hand or sent by pre-paid first class post or registered post. A correctly addressed notice sent by pre-paid first class post shall be deemed to have been delivered at the time at which it would have been delivered in the normal course of the post.

38.3 Section 196 of the Law of Property Act 1925 shall otherwise apply to notices given under this lease.

38.4 Where the consent of the Landlord is required under this lease, a consent shall only be valid if it is given by deed, unless:

38.4.1 it is given in writing and signed by a person duly authorised on behalf of the Landlord; and

38.4.2 it expressly states that the Landlord waives the requirement for a deed in that particular case.

If a waiver is given, it shall not affect the requirement for a deed for any other consent.

38.5 Where the approval of the Landlord is required under this lease, an approval shall only be valid if it is in writing and signed by or on behalf of the Landlord, unless:

38.5.1 the approval is being given in a case of emergency; or

38.5.2 this lease expressly states that the approval need not be in writing.

38.6 If the Landlord gives a consent or approval under this lease, the giving of that consent or approval shall not imply that any consent or approval required from a third party has been obtained, nor shall it obviate the need to obtain any consent or approval from a third party.

39. **Governing law and jurisdiction**

39.1 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.

39.2 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).

40. **Exclusion of sections 24-28 of the LTA 1954**

40.1 The parties confirm that:

40.1.1 the Landlord served a notice on the Tenant, as required by section 38A(3)(a) of the LTA 1954, applying to the tenancy created by this lease, before this lease was entered into;

40.1.2 Richard Wilson who was duly authorised by the Tenant to do so, made a statutory declaration dated 19/06 2018 in accordance with the requirements of section 38A(3)(b) of the LTA 1954 a certified copy of which statutory declaration is annexed to this lease; and

40.1.3 there is no agreement for lease to which this lease gives effect.

40.2 The parties agree that the provisions of sections 24 to 28 of the LTA 1954 are excluded in relation to the tenancy created by this lease.

41. **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 that Act].

42. **Landlord and Tenant (Covenants) Act 1995**

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

44. **Tenant's Option to Determine**

44.1 The Tenant may determine this lease by serving a Break Notice on the Landlord at least six (6) months before the relevant Break Date

44.2 A Break Notice shall be of no effect if, at the Break Date:

44.2.1 The Tenant has not paid any part of the Annual Rent or any VAT in respect of it, which was due to have been paid.

44.2.2 The tenant does not give up occupation of the Property.

44.2.3 There is a subsisting material breach of any of the tenant covenants of this lease relating to the state of repair and condition of the Property

44.3 Termination

44.3.1 Subject to clause 43.2 following service of a Break Notice this lease shall terminate on the Break Date

44.3.2 Termination of this lease on the Break Date shall not affect any other right or remedy that either party may have in relation to any earlier breach of this lease

44.3.3 Within 14 days after the Break Date, the Landlord shall refund to the Tenant the proportion of the Annual Rent and any VAT paid in respect of it for the period from and excluding the Break Date up to and excluding the next Rent Payment Date, calculated on a daily basis

45. **Charities Act 2011**

The Property hereby demised will as a result of this lease be held by or in trust for The Mustard Tree Foundation (Reading), a non-exempt Charity and the restrictions on disposition imposed by Sections 117 - 121 of the Charities Act 2011 will apply to the Property (subject to Section 117(3) of that Act).

In witness this lease has been executed and delivered as a Deed by the parties on the date first above written.

Executed as a deed by The Mustard
Tree Foundation (Reading) acting by a
director and a director or its secretary



MICHAEL PENSON

Director



RICHARD WILSON

Director ~~or Secretary~~

