

THIS LEASE is made the

2023

Between

PARTIES:

- (1) THE SECRETARY OF STATE FOR DEFENCE care of the Defence Infrastructure Organization(the “Landlord”); and
- (2) COUNCIL of (the “Tenant”)

WITNESSES as follows:

1 INTERPRETATION

In this Lease unless the context requires otherwise:

1.1 The following words and expressions mean:

Accessways: all roads and footpaths on the Estate;

Break Date: A date which is at least one month after service of the Break Notice.

Break Notice: Written notice to terminate this Lease specifying the Break Date.

Conducting Media: pipes, sewers, drains, conduits, gutters, watercourses, wires, cables, channels, ducts, flues, aerials, cisterns, tanks, balancing ponds and all other conducting media and ancillary items and apparatus and any enclosures for them;

Consent: the Landlord's consent or approval;

Contents: means those items of furniture and other household items within the Premises as detailed in the inventory annexed to this Lease;

the Contractual Term: the term from and including 2023 up to and including 2024;

the End of the Term: the end of the Term however that happens;

Environmental Legislation: the Health and Safety at Work etc Act 1974, the Environmental Protection Act 1990, the Water Resources Act 1991, the Water Industry Act 1991, the Environment Act 1995, the Environmental Permitting Regulations (England and Wales) 2010 and any other statute of a similar nature in force at any time during the Term;

EPC: an energy performance certificate and associated recommendation report as defined in The Energy Performance of Buildings (England and Wales) Regulations 2012 and **ACIR** means an air conditioning inspection report as referred to in Part 4 of those regulations;

Estate: the Landlord's neighbouring estate including any future extensions, alterations or additions to it;

Event of Insolvency:

Where the entity concerned is a corporation:

- (1) the taking of any step in connection with any voluntary arrangement or any other compromise or arrangement for the benefit of any of its creditors;
- (2) the making of an application for an administration order or the making of an administration order in relation to it;
- (3) the giving of any notice of intention to appoint an administrator, the filing at court of the prescribed documents in connection with the appointment of an administrator or the appointment of an administrator, in relation to it;
- (4) the appointment of a receiver or manager or an administrative receiver in relation to any of its property or income;
- (5) the commencement of a voluntary winding-up in relation to it 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;
- (6) the making of a petition for a winding-up order or a winding-up order in relation to it;
- (7) it being unable to pay its debts as they fall due or its assets being less than its liabilities, taking into account its contingent and prospective liabilities;
- (8) it being struck-off the Register of Companies or the making of an application for it to be struck-off; or
- (9) it otherwise ceasing to exist and the paragraphs above shall apply to a partnership (as defined in the Partnership Act 1890), a limited partnership (as defined in the Limited Partnerships Act 1907) and

a limited liability partnership (as defined in the Limited Liability Partnerships Act 2000) subject to the modifications referred to in the Insolvent Partnerships Order 1994 and the Limited Liability Partnership Regulations 2001 as appropriate.

the Exceptions: the exceptions and reservations referred to and set out in the Third Schedule;

Headlease: two leases both dated 5 November 1996 made between Annington Property Limited and the Landlord relating to the Premises together with other property;

the Insured Risks: fire, lightning, explosion, storm, tempest, flood, bursting and overflowing of water tanks, apparatus or pipes, aircraft and other aerial devices, earthquake, riot, civil commotion, labour disturbance, malicious damage and/or any other risks that the Tenant reasonably considers appropriate at any time subject to the exclusions, excesses and limitations that are applicable to any relevant insurance policy at any time and excluding any risks which are refused by the insurers at any time;

the Interest Rate: four per cent per annum above the base rate from time to time of any bank that is a member of the British Banking Association and that the Landlord specifies at any time or, if those base rates cease to exist, such other equivalent rate of interest as the Landlord reasonably specifies at any time both before and after any judgment;

the Landlord: includes the reversioner for the time being immediately expectant on the End of the Term;

this Lease: this Lease and any documents supplemental to it or entered into in accordance with or under it;

a Letting: the granting of a periodic tenancy substantially in the form as annexed to this Lease at Annex 1 of the Premises by the Tenant;

Plan: the plan annexed to this Lease;

the Planning Acts: the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning and Compensation Act 1991, the Planning Act 2008 and any other statute of a similar nature in force at any time during the Term;

the Premises: the property described in the First Schedule;

the Rent Commencement Date: 2023;

Reinstatement Value: the full reinstatement value of the Property as reasonably determined by the Tenant from time to time, taking into account inflation of building costs and including any costs of demolition, site clearance, site protection, shoring up, professional fees and expenses and the costs of any other work to the Property that may be required by law and any VAT on any such costs, fees and expenses.

the Rights: the rights referred to and set out in the Second Schedule;

the Schedule of Condition: the photographic schedule evidencing the condition of the Premises as at the date of this Lease annexed to this Lease at Annex 2;

Superior Lessor: everyone having a title to the Premises in reversion, however remotely, on the termination of the Landlord's title at any time during the Term;

the Tenant: includes its successors in title and assigns and all persons deriving title through or under it;

the Term: the Contractual Term;

Uninsured Risks: any risk which is either:

- a) not listed in the definition of Insured Risks; or
- b) listed in the definition of Insured Risks but which has not been insured by the Tenant because insurance is not available or is not available in the London insurance market on reasonable terms;

but shall not include any risk which is either uninsured or not fully insured due to the application of an exclusion, limitation, condition or excess imposed by the insurer of the Premises.

Utilities: data transmission, drainage, electricity, energy of any other type, gas, telephone, water and all other services;

VAT: Value Added Tax and any tax of a similar nature substituted for it or imposed in addition to it at any time during the Term and any penalties or fines in relation to them;

the Yearly Rent: £5000 per annum;

the 1954 Act: the Landlord and Tenant Act 1954.

- 1.2** Any reference to any statute, including any reference in any definition in this clause 1, includes:
 - 1.2.1** any amendment, modification, extension or re-enactment of it at any time; and
 - 1.2.2** all instruments, orders, plans, regulations, permissions, directions and any other form of subsidiary legislation at any time made, issued or given under or drawing validity from any statute.
- 1.3** Any reference to any form of legal entity includes all other forms of legal entity.
- 1.4** In the following cases references to the Landlord include references to any Superior Lessor and any mortgagee of the Landlord or any Superior Lessor:
 - 1.4.1** where there is any obligation on the Tenant to obtain Consent or the Landlord's approval or any acknowledgement from the Landlord, to carry out any act to the satisfaction of the Landlord or to give any form of notice to the Landlord, however in each case the requirement is expressed, but nothing in this Lease imposes any obligation on any Superior Lessor or any mortgagee not to unreasonably refuse any consent, approval, acknowledgement or expression of satisfaction;
 - 1.4.2** where there is any obligation to pay any costs or fees to the Landlord or to reimburse the Landlord for any payment made or expense incurred;
 - 1.4.3** where there is any indemnity in the Landlord's favour.
- 1.5** Where Consent is required under this Lease, it will only be valid if it is given by deed unless it is given in writing and expressly states that the Landlord waives the requirement for a deed in that particular case.
- 1.6** Obligations by more than one person are joint and several and where any party under this Lease at any time is more than one person references to it are to each person individually as well as jointly with the others comprising it.
- 1.7** Any obligation on the Tenant not to do something is an obligation not to do it, omit it, allow it or suffer it to be done or omitted.

- 1.8** Rights excepted, reserved or granted to the Landlord are excepted, reserved or granted to the Landlord any Superior Lessor and everyone authorised by them.
- 1.9** Rights granted by the Landlord are granted only to the extent that the Landlord is able to grant them and in common with the Landlord, any Superior Lessor and everyone authorised by them.
- 1.10** The clause headings in this Lease are for reference only and are not to be taken into account in its construction or interpretation.

2 THE DEMISE

The Landlord demises the Premises to the Tenant with the Rights but excepting and reserving the Exceptions for the Contractual Term subject to all rights, easements, privileges, restrictions, covenants, stipulations and other matters of any nature affecting them paying throughout the Term from the Rent Commencement Date the Yearly Rent by equal monthly instalments in advance on the first day of each month and so in proportion for any period less than a year, the first payment being a proportionate sum in respect of the period from and including the Rent Commencement Date to the first day of the month following the Rent Commencement Date to be paid on the Rent Commencement Date.

3 TENANT'S COVENANTS

The Tenant covenants with the Landlord:

3.1 Payments

- 3.1.1** To pay the rent reserved by clause 2 of this Lease as set out in that clause with payment being made by electronic payment.
- 3.1.2** To make all payments referred to in this clause 3.1 and all other payments due to the Landlord under this Lease, without any deduction (except as required by law) or counterclaim and without exercising any right of legal or equitable set off.

3.2 Outgoings and Utilities

- 3.2.1** To pay all rates, taxes, assessments, duties, charges, impositions and other outgoings of any type charged, assessed or imposed on or in respect of the Premises or their owner or occupier at any time (including any of a capital or non-recurring nature but excluding any tax payable by the Landlord on the receipt of the

monies payable by the Tenant under this Lease (other than VAT) or as a result of any dealing with its reversion to this Lease);

3.2.2 To pay for all Utilities used at or available to the Premises, including standing charges, and to comply at its own expense with their suppliers' regulations and requirements.

3.3 Interest

3.3.1 If the Landlord does not receive payment of:

- (a) the rent reserved by clause 2 of this Lease and the VAT due in respect of it on the due date whether formally demanded or not; or
- (b) any other money due under this Lease (other than any money which this Lease states is to bear interest from the date of expenditure by the Landlord) within 21 working days of the due date to pay interest on the money concerned to the Landlord at the Interest Rate from and including the due date to the date of actual receipt by the Landlord;

3.3.2 If the Landlord refuses payment of any money due from the Tenant under this Lease whilst there is a breach of the Tenant's obligations under this Lease to pay interest on that money at the Interest Rate from and including the due date to the date on which the Landlord accepts or should properly accept payment provided that this clause 3.3 shall not prejudice any other right or remedy of the Landlord for the recovery of any money due.

3.4 VAT

To pay and indemnify the Landlord upon receipt of a valid VAT invoice addressed to the Tenant against any VAT chargeable in respect of or levied on:

3.4.1 any payment due from or any supply made to the Tenant under or in connection with this Lease; and

3.4.2 any payment made by or any supply made to the Landlord where the Tenant is liable to reimburse it for that payment or in respect of that supply but only to the extent that the Landlord is unable to recover the VAT concerned as input tax in each case in addition to the payment or supply concerned.

3.5 Repair

- 3.5.1** To keep the Premises clean and tidy and in good repair and condition to a similar standard as at the date of this Lease as evidenced by the Schedule of Condition (fair wear and tear excepted).
- 3.5.2** To repair or replace fixtures and fittings or the Contents which are destroyed, damaged, removed or lost during the Term through negligence, neglect or misuse of the Tenant or the occupier (fair wear and tear excepted).
- 3.5.3** To keep any gardens included with the Premises neat and tidy.
- 3.5.4** To dispose of all rubbish in an appropriate manner and at the appropriate time.
- 3.5.5** To carry out all work required under this clause 3.5 or any other provision of this Lease in a good and workmanlike manner and in accordance with good modern practice from time to time, all relevant codes of practice and all British Standards.

3.6 Alterations

Not to commit waste, change the existing design or appearance of the Premises divide them or merge them with other premises or make any alterations or additions of any type to them.

3.7 Statutory obligations

- 3.7.1** At its own expense to comply with all requirements of, and execute all works required by, any statute or any competent authority in respect of the Premises, any activity at or use of them or the use of any plant machinery or other equipment in them and to indemnify the Landlord against all liability which it may have under any such statute or requirement.
- 3.7.2** To pay and satisfy any charge or levy that is imposed under the Planning Acts or any Environmental Legislation in respect of any operation or use referred to in clause 3.7.2.
- 3.7.3** That if it receives any compensation in respect of its interest in the Premises because of any restriction imposed on their use under the Planning Acts and this Lease is determined by surrender or re-entry to immediately make such payment to the

Landlord as is reasonable to ensure that the Landlord receives due benefit from that compensation.

3.7.4 To produce to the Landlord on demand all notices, orders, proposals, permissions, consents, plans and other evidence which the Landlord reasonably requires in order to be satisfied that this clause 3.7 has been fully complied with.

3.8 Inspection and notice to repair

To allow the Landlord and everyone authorised by it and any Superior Lessor to enter the Premises at all times during the Term on reasonable prior notice (except in the case of emergency) to:

3.8.1 take inventories of fixtures, fittings and other items to be yielded up at the End of the Term;

3.8.2 establish whether the Tenant's obligations under this Lease have been complied with including the right to open up any part of the Premises when that is necessary to view the state of repair or condition of the Premises and:

(a) if any breach of obligation is found the Landlord may serve written notice on the Tenant requiring it to remedy the breach concerned including making good any opening up made;

(b) if no breach of obligation is found the Landlord shall make good any opening up made at its own cost;

(c) if the Tenant does not start to rectify any breach of obligation notified to it within one month of service of the Landlord's notice, or sooner if needed, or does not complete the rectification within two months of service of the Landlord's notice, or sooner if practicable, the Landlord may enter the Premises with all necessary workmen and equipment to rectify the breach concerned and the Tenant shall pay to the Landlord on demand as a debt the costs and expenses of doing so, including legal and surveyors' fees;

3.8.3 inspect the Premises in connection with any proposed action under Part II of the 1954 Act and to supply any information relevant to those purposes which is reasonably requested by the Landlord or anyone having a right of entry under this clause 3.9;

3.8.4 exercise any right of the Landlord under this Lease or fulfil any obligation of the Landlord in respect of the Premises, or any neighboring or adjoining property however it arises;

3.8.5 exercise any right of entry under the Headlease subject to the conditions for such entry set out in the Headlease.

3.9 User

3.9.1 Not to do anything at the Premises which may be, become or cause a legal nuisance, injury or damage to the Landlord or any owner or occupier of any neighboring or adjoining property.

3.9.2 Not to use the Premises or any part of them for any purpose other than as for residential housing.

3.10 Notices

Within seven days of any notice, direction or order (or any proposal for any of them) from any competent authority being received by it or otherwise coming to its knowledge to give full details of it to the Landlord and, if required by the Landlord, to produce it to the Landlord and/or take all steps necessary to comply with it and/or make or join with the Landlord in making any objection or representation against it or in respect of it that the Landlord reasonably requires.

3.11 Alienation

Not to assign, underlet, charge, part with or share possession or occupation of the whole or any part of the Premises or allow any other person to do so (save that the Tenant is permitted to underlet the Premises without consent of the Landlord where such an underletting will qualify in the Tenant's reasonable opinion as a Letting).

3.12 Sale and re-letting

To permit the Landlord to enter the Premises during the six months before the End of the Term to fix in a suitable place, and retain without interference, a sign or signs for re-letting or sale of the Premises and during those periods to allow everyone authorised by the Landlord to view the Premises at all reasonable times on reasonable prior notice (save in the case of emergency) without interruption.

3.13 Indemnities

To be responsible for and to indemnify the Landlord against:

3.13.1 all damage caused to the Premises or any neighbouring or adjoining property or to any person or goods which is caused directly or indirectly by the occupation or use of the Premises or by the condition of the Premises which has arisen due to a breach of the covenant to repair on the part of the Tenant;

3.13.2 all actions, claims, proceedings, costs, expenses and demands made against or incurred by the Landlord as a result of:

- (a)** any act, omission or negligence by it, any undertenant or any other occupier of the Premises or anyone at the Premises with the express or implied authority of any of them; or
- (b)** any failure to comply with its obligations under this Lease; and
- (c)** any tax or other fiscal liability imposed on the Landlord as a result of any work carried out at, any act done on or any change of use of the Premises.

3.14 Notices of breach and costs

To pay to the Landlord on demand on a full indemnity basis all costs, charges and expenses (including solicitors', surveyors', bailiffs' and other professional fees) incurred by it for the purpose of, incidental to or in reasonable contemplation of:

3.14.1 the preparation and service of a notice under section 146 of the Law of Property Act 1925 or in contemplation of proceedings under sections 146 or 147 of that Act even if forfeiture is avoided unless a competent court orders otherwise;

3.14.2 the preparation and service of all notices relating to any failure by it to comply with their obligations under this Lease whether served before or after the End of the Term;

3.14.3 any application for any licence or Consent under this Lease whether granted or not including where the application is withdrawn but excluding where the Landlord unreasonably withholds or delays Consent in breach of the terms of this Lease; and

3.14.4 the enforcement or remedying of any breach of its obligations under this Lease whether or not court proceedings are involved.

3.15 Yield up

At the End of the Term to:

3.15.1 yield up the Premises (with all keys) in the state and condition required by this Lease;

3.15.2 remove all notices, advertisements, signs, aerals and tenant's fixtures, fittings, furniture and other goods from the Premises and make good any damage caused to the Premises (including damage to decorative finishes) by their removal to the Landlord's reasonable satisfaction; and, if it does not, to pay to the Landlord on demand by way of compensation the cost of carrying out the work required to remedy the failure and a sum equal to the then open market rent of the Premises for the period between the End of the Term and the date on which the Landlord completes the work concerned.

3.16 Insurance and Reinstatement

3.16.1 To effect and maintain insurance of the Premises at its own cost in the joint names of the Landlord and the Tenant. Such insurance shall be against loss or damage caused by any of the Insured Risks for the sum which the Tenant considers to be the full Reinstatement Value subject to:

- (a)** any reasonable exclusions, limitations, conditions or excesses that may be imposed by the insurer; and
- (b)** insurance being available on reasonable terms in the London insurance market

3.16.2 In relation to any insurance effected by the Tenant under this paragraph:

- (a)** at the request of the Landlord, to supply the Landlord with:
 - (i) a copy of the current insurance policy and schedule;
 - (ii) a copy of the application form for the policy; and
 - (iii) a copy of the receipt for the current year's premium.

- (b)** to notify the Landlord of any change in the scope, level or terms of cover as soon as reasonably practicable after the Tenant has become aware of the change.

3.16.3 To give the Landlord notice immediately that it becomes aware of:

- (a)** any matter which occurs in relation to the Tenant or the Premises that any insurer or underwriter may treat as material in deciding whether or on what terms, to insure or continue insuring the Premises; and
- (b)** any damage or loss that relates to the Premises.

3.16.4 If the Premises or any part of it is damaged or destroyed by an Insured Risk, the Tenant shall:

- (a)** promptly notify the Landlord and make a claim under the insurance policy for the Property;
- (b)** notify the Landlord immediately if the insurer indicates that the Reinstatement Value will not be recoverable in full under the insurance policy;
- (c)** use all insurance money received and any money received from the Landlord under clause 4.3. of this Lease to repair the damage in respect of which the money was received or (as the case may be) to rebuild or reinstate the Premises and make good any shortfall out of the Tenant's own monies (save to the extent of any amount that the Landlord is to pay the Tenant pursuant to clause 4.3.1 of this Lease).
- (d)** promptly take such steps as may be necessary and proper to obtain all planning and other consents to repair (or as the case may be) rebuild or reinstate the Premises;
- (e)** subject to obtaining such consents, reinstate or rebuild the Premises in a manner equivalent in size, quality, layout and facilities to the Premises prior to the damage. If the relevant consents cannot be obtained then to reinstate or rebuild the Premises in a manner and with facilities that are reasonably equivalent to those previously at the Premises provided always that:

- (i) the Tenant shall obtain the Landlord's prior approval to any alterations proposed to the size, quality or layout of the Premises, such consent not to be unreasonably withheld or delayed.
- (ii) the Premises shall be rebuilt or reinstated to the reasonable satisfaction of the Landlord.

3.17 Anti-social behaviour and Termination of Lettings

3.17.1 To take reasonable steps to ensure that those who occupy the Premises together with members of their household or invitees will not cause or allow to be caused any nuisance, or disturbance to any neighbours or to the Landlord, its agents or employees;

3.17.2 To remove the occupant from the Letting under the following circumstances:

- (a) If at any time during the Term the Landlord is made aware that any of the occupants of the Letting are behaving in such a way which would constitute serious anti-social behavior (as determined by the Landlord acting reasonably) it shall be entitled to serve notice on the Tenant requiring the occupant to be removed from the Premises as soon as is reasonably practicable after the receipt of such notice;
- (b) If at any time during the Term the Landlord is made aware that any of the occupants of the Premises are committing sustained low level anti-social behavior (as determined by the Landlord acting reasonably) the Landlord shall be entitled to serve notice on the Tenant requiring the Tenant to take action against the occupant and the Tenant will be given 30 days in which to ensure improvement in the behavior of the occupant. If this behaviour does not improve the Landlord shall be entitled to serve notice on the Tenant requiring the occupant to be removed from the Premises as soon as reasonably practicable after the receipt of such notice.

4 LANDLORD'S COVENANTS

The Landlord covenants with the Tenant:

4.1 Quiet enjoyment

That the Tenant may, so long as it pays the rent reserved by and complies with its obligations under this Lease, peaceably and quietly hold and enjoy the Premises during the Term without any unlawful interruption by the Landlord or any person rightfully claiming under or in trust for it.

4.2 Accessways

Not to obstruct or cause any nuisance or inconvenience on the Accessways.

4.3 Insurance

4.3.1 Not to insure the Premises against any of the Insured Risks in such a manner as would permit the Tenant's insurer to cancel the Tenant's insurance or to reduce the amount of any money payable in respect of any insurance claim.

4.3.2 If:

- (i)** the Premises is damaged or destroyed by an Insured Risk or an Uninsured Risk;
- (ii)** the Premises is wholly or partly unfit for occupation and use; and
- (iii)** the payment of the insurance monies is not wholly or partly refused because of any act or omission of the Tenant, any occupier or their respective workers, contractors or agents or any other person at the Premises with the express or implied authority of any of them then payment of the Yearly Rent or a fair proportion of it according to the nature and extent of the damage, shall be suspended until the Premises has been reinstated and made fit for occupation and use and any proportion of the Yearly Rent paid in advance shall be returned to the Tenant once the period of suspension becomes known.

4.3.3 If, following damage or destruction caused by any of the Insured Risks, the repair, rebuilding or reinstatement of the Premises shall be impossible due to the inability to obtain the necessary planning or other consents:

- (i)** the Tenant's obligation to reinstate the Premises contained in clause 3.17.4 otherwise shall no longer apply;

- (ii) the Tenant shall hold all proceeds of any insurance in respect of the Premises on trust for itself and the Landlord in proportion to their respective interests in the Premises immediately before the damage or destruction, as agreed in writing between the Landlord and the Tenant and failing agreement, in the proportions determined pursuant to clause 4.4.7; and
- (iii) the Tenant shall pay (in cleared funds) the Landlord's proportion of such insurance proceeds within twenty Working Days of the date of receipt of the proceeds of the insurance policy or within ten Working Days of the determination pursuant to clause 4.3.5, whichever is the later.

4.3.4 To comply with the requirements and recommendations of the insurers relating to the Premises of which the Landlord has received details in writing.

4.3.5 Any dispute arising regarding this clause 4.3 shall be finally determined by arbitration in accordance with the provisions of the Arbitration Act 1996. The tribunal shall consist of one arbitrator appointed by the President for the time being of the Royal Institution of Chartered Surveyors.

4.4 Headlease

To pay the rent reserved by the Headlease and by way of indemnity only and subject to the Tenant complying with its obligations under this Lease to comply with so far as the Tenant is not liable for compliance under the terms of this Lease the lessees obligations under the Headlease and on receiving notice from, and at the expense of, the Tenant and against an adequate indemnity for costs to use its reasonable endeavours to enforce the tenants obligations under the Headlease so far as they relate to or affect the Premises.

5 PROVISOS

It is agreed that:

5.1 Re-entry

If any of the following occur:

- 5.1.1 the rent payable under clause 2 or any part of it is unpaid for 21 working days after it becomes due, whether formally demanded or not;
- 5.1.2 the Tenant fails to comply with any of its material obligations under this Lease and does not remedy the breach within a reasonable period of written notice;
- 5.1.3 any distress or execution is levied at the Premises;
- 5.1.4 an Event of Insolvency occurs in relation to the Tenant the Landlord may at any time afterwards, even though any earlier right of re-entry has been waived, re-enter the Premises or any part of them in the name of the whole when this Lease shall end but without prejudice to any claim by the Landlord in respect of any failure by the Tenant to comply with its obligations.

5.2 Recovery of payments

All sums due to the Landlord under this Lease are payable as rent and the Landlord has the same remedies for their recovery as the Landlord has for rent in arrear.

5.3 Implied easements

Section 62 of the Law of Property Act 1925 is excluded from this Lease so that the only rights granted to the Tenant are those expressly set out in this Lease and the Tenant shall not be deemed to have acquired or be entitled to and the Tenant shall not during the Term acquire or become entitled to (save on behalf of the Landlord against third parties) by any means any easement or advantage of any sort in respect of or affecting any neighbouring or adjoining property.

5.4 Party walls

Any walls dividing the Premises from any other premises let or intended to be let to any other tenant of the Landlord are party walls within the meaning of section 38 of the Law of Property Act 1925 and shall be maintained at the joint expense of the respective estate owners.

5.5 Contracts (Rights of Third Parties) Act 1999

A person who is not a party to this Lease has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Lease but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

5.6 Notices

5.6.1 Any notice given under or in connection with this Lease shall be:

- (a) in writing and for the purposes of this clause an email or fax is not in writing; and
- (b) given by hand or by pre-paid first-class post or other next working day delivery service if to Council then addressed to
and if to the Landlord given by hand or by pre-paid first-class post or other next working day delivery service to [TBC]

5.6.2 If a notice complies with the criteria in clause 5.6, whether or not this Lease requires that notice to be in writing, it shall be deemed to have been received:

- (a) if delivered by hand, at the time the notice is left at the proper address; or
- (b) if sent by pre-paid first-class post or other next working day delivery service, on the second working day after posting.

5.6.3 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

5.7 Exclusion of security- this Lease

The parties confirm that:

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

5.7.2 The Tenant made a statutory declaration dated 2023 in accordance with the requirements of section 38A(3)(b) of the 1954 Act;

5.7.3 There is no agreement for lease to which this Lease gives effect and

5.7.4 The parties agree that the provisions of Sections 24 to 28 (inclusive) of the 1954 Act are excluded in relation to the tenancy created by this Lease.

5.8 Break Clause

5.8.1 The Tenant may terminate this Lease by serving a Break Notice on the Landlord.

5.8.2 A Break Notice served by the Tenant shall be of no effect if, at the Break Date:

- (a) the Tenant has not paid any part of the Yearly Rent, or any VAT in respect of it, which was due to have been paid; or
- (b) vacant possession of the whole of the Premises is not given.

5.8.3 Subject to clause 5.8.2, following service of a Break Notice this Lease shall terminate on the Break Date.

5.8.4 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.

5.8.5 If this Lease terminates in accordance with this clause 5.8 then, within 14 days after the Break Date, the Landlord shall refund to the Tenant the proportion of the Yearly 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.

5.9 Jurisdiction and governing law

This Lease shall be governed by and interpreted in accordance with English law and the parties irrevocably submit to the jurisdiction of the English courts.

6 LANDLORD'S OPTION TO DETERMINE

6.1 The Landlord may determine this Lease as a whole at any time during the Term by providing the Tenant with six months' notice such notice to specify the termination date.

6.2 Following termination in accordance with clause 6.2 the Landlord shall promptly return to the Tenant any part of the Yearly Rent and any other payments made under this Lease paid by the Tenant in relation to the period following the termination date

This Lease has been entered into on the date stated at the beginning of it.

FIRST SCHEDULE - THE PREMISES

ALL THAT property known as
registered at Land Registry under title number

THE SECOND SCHEDULE - THE RIGHTS

- 1.** The right to pass over the Accessways at any time on foot or with vehicles to gain access to and egress from the Premises.
- 2.** The right to pass the Utilities through the Conducting Media which are at any time in the Estate to the extent that they serve the Premises.
- 3.** The right on giving reasonable prior notice (except in the case of emergency) to the Landlord and the appropriate occupier of the adjoining premises to enter on adjoining premises on the Estate for the purpose of inspecting, maintaining and repairing the Premises but not further or otherwise causing as little damage disturbance or inconvenience as possible and immediately making good all damage caused to the satisfaction of the Landlord and any such adjoining occupier.
- 4.** The rights contained in the Headlease to the extent that they relate to the Premises.

THE THIRD SCHEDULE - THE EXCEPTIONS

1. The right to pass over the Accessways to the extent that they serve dwellings on the Estate (other than those on the Premises) at any time in order to gain access to and egress from dwellings on the Estate (other than those on the Premises).
2. The right to carry out works to and alter or rebuild the Estate (other than the Premises) or any building or other structure erected on any neighbouring or adjoining property at any time owned by the Landlord and to use the Estate or such neighbouring or adjoining property or the buildings or structures on them at any time as the Landlord wishes Provided That the proper use of the Premises under this Lease is not prevented or materially prejudiced.
3. The right to connect into and pass the Utilities through any Conducting Media at any time forming part of or serving the Premises which serve or are to serve the remainder of the Estate or any neighbouring or adjoining property.
4. The right to enter the Premises on reasonable prior notice (except in the case of emergency) where reasonably necessary for the purpose of inspecting, maintaining, repairing or carrying out work on the Estate or any other neighbouring or adjoining property (including, without limitation, any work authorised by paragraph 1 of this Schedule) and any Conducting Media serving or to serve the remainder of the Estate or any other neighbouring or adjoining property (including, without limitation, the preparation of any EPC or ACIR) or for any other purpose connected with the management of the Estate causing as little damage and inconvenience as reasonably practicable and making good any damage actually caused to the Premises or any items belonging to the Tenant to the reasonable satisfaction of the Tenant but without liability to pay compensation.
5. All rights of light, air, support and shelter and all other easements, quasi-easements and other rights at any time existing or created for the benefit of any other part of the Estate or any neighbouring or adjoining property.
6. The right of escape through the Premises in case of fire or other emergency or practices in respect of them.
7. The right to enter on the Premises for the purposes mentioned in this Lease.
8. The right to add to or reduce the extent of the Estate (other than the Premises) as the Landlord requires at any time.

CONTENTS SCHEDULE

ANNEX 1 - FORM OF ASSURED SHORTHOLD TENANCY AGREEMENT

ANNEX 2 - SCHEDULE OF CONDITION

Signed by.....

For and on behalf of the SECRETARY
OF STATE FOR DEFENCE

Authorised Signatory

Signed by.....

An Authorised Signatory on behalf of COUNCIL

Authorised Signatory