

Schedule 15
Building Lease



dated

201[]

London Borough of Barnet

and

Countryside Properties (UK) Limited

And

London & Quadrant Housing Trust

Lease

in relation to [] Dollis Valley

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draft (7) dated 25th September 2012

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Prescribed Clauses

		Date of Lease	[DATE]
		Title Number(s)	
		Landlord's title number(s)	[INSERT TITLE NUMBER(S) OR LEAVE BLANK IF NONE]
		Other title numbers	[TITLE NUMBER(S)] OR [None]
		Parties to this Lease	
		Landlord	London Borough of Barnet of North London Business Park, Oakleigh Road South, London, N11 1NP
		Tenant	Countryside Properties (UK) Limited (Company Number 00614864) whose registered office is at Countryside House The Drive Brentwood Essex CM13 3AT
		Guarantor	None
		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 "Premises" in Clause 1 of this Lease.
		Prescribed Statements etc.	None.
		Term for which the Property is leased	The term as specified in this Lease at Clause 1 in the definition of "Term".
		Premium	None.
		Prohibitions or restrictions on disposing of this Lease	None
		Rights of Acquisition etc.	
		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.
		Tenant's covenant to (or offer	None.

		to) surrender this lease	
		Landlord's contractual rights to acquire this lease	None.
		Restrictive covenants given in this Lease by the Landlord in respect of land other than the Property	None.
		Easements	
		Easements granted by this lease for the benefit of the Property	
		Easements granted or reserved by this lease over the Property for the benefit of other property	
		Estate Rentcharge burdening the Property	None.
		Application for standard form of Restriction	<p>The Parties to this Lease apply to enter the following standard form of restriction [against the title of the Property] [against title number]</p> <p>See restriction at para 3 of Part 2 of First Schedule</p>
		Declaration of trust where there is more than one person comprising the Tenant	Not applicable

Lease

dated 201[]

Parties

- (1) **London Borough of Barnet** of North London Business Park, Oakleigh Road South, London, N11 1NP (**Landlord**)
- (2) **Countryside Properties (UK) Limited (Company Number 00614864)** whose registered office is at Countryside House The Drive Brentwood Essex CM13 3AT (**Tenant**) and
- (3) **London & Quadrant Housing Trust** (Industrial and Provident Society Number 30441R whose registered office is at One Kings Hall Mews London SE13 5JQ (**THE RP**))

Agreed terms

1 Definitions

- 1.1 In this Lease the additional expressions set out hereunder shall have the respective following meanings:

Affordable Home means the same as in the Agreement;

Agreement means the Principal Development Agreement dated [] 2012 and made between the Landlord (1) the Tenant (2) London & Quadrant Housing Trust (3) and Countryside Properties plc (4);

Authorised Disposal means the same as in the Agreement;

Community Facilities means the same as in the Agreement;

Delay Event means the same as in the Agreement;

Dwellings means those dwellings intended for the exclusive use and occupation of any tenant or occupier;

Ground Rent means the periodic payments made by the lessees of Private Sale Homes and reserved as rent under their leases (including any periodic payments made in relation to leases of car parking spaces sold separately to Private Sale Homes);

Implementation means the date the Tenant specifies in written notice to the Landlord as the date it intends to commence the Works in accordance with the Planning Permission or (if earlier) the commencement of the Works in accordance with the Planning Permission by the carrying out on the Premises of a material operation as defined in section 56(4) of the Town & Country Planning Act 1990 and the expression Implemented and Implement shall be construed accordingly;

Insured Risks means fire explosion lightning aircraft articles dropped from aircraft storm tempest flood impact riot malicious damage civil commotion earthquake (fire and

shock) and bursting and overflowing of water tanks apparatus and pipes and such other risks as the Tenant may acting reasonably choose to insure against;

Interest Rate means 4% per annum above the base rate for the time being of Barclays Bank Plc or if no such base rate can be ascertained the base rate of such other bank as the Landlord may from time to time reasonably nominate;

Permitted Use means use as private and affordable residential accommodation and ancillary facilities thereto and in relation to the areas edged [J]' on the Plan, use as Community Facilities or such other use as may be permitted by the local planning authority

Plan means the plan or plans annexed to this Lease;

Planning Permission means the detailed planning permission granted in respect of the Works;

Practical Completion means the same as in the Agreement insofar as it relates to the Works being carried out on the Premises only;

Practical Completion Date means the date of Practical Completion;

Premises means all that land and buildings thereon (either now or during the Term) currently known as [TBC] with freehold title absolute and shown edged [red] on the Plan;

Premises Access Road means such roads footpaths and public areas which are now or which may within the future be constructed on the Premises for use for the access to and egress from the Retained Land or any part or parts thereof;

Premises Service Media all media for the supply or removal of heat, electricity, gas, water, sewage, energy, telecommunications, data and all other services and utilities and all structures, machinery and equipment ancillary to those media which are now or which may be constructed on the Premises and serve the Retained Land;

Private Sale Homes means those dwellings to be constructed during the regeneration of the Premises and other land pursuant to the Planning Permission which shall be made available for sale on the open market to third parties including shared ownership dwellings where the buyer has stair-cased to 100% ownership;

Regeneration Site means the same as in the Agreement;

Retained Access Roads means such roads footpaths and public areas which are now or which may be constructed on the Retained Land for use for the access to and egress from the Premises or any part or parts thereof;

Retained Land means the land adjacent to the premises [shown edged blue on the Plan] and shall include the Surrender Premises as hereinafter defined in the event that the Surrender Premises are surrendered to the Landlord pursuant to the terms of the Fifth Schedule;

¹ Such areas are the Community Facilities which are to be constructed pursuant to the Agreement

Retained Service Media means all media for the supply or removal of heat, electricity, gas, water, sewage, energy, telecommunications, data and all other services and utilities and all structures, machinery and equipment ancillary to those media which are now or which may be constructed on the Retained Land and serve the Premises;

RP means the same as in the Agreement;

Service Media means all media for the supply or removal of heat, electricity, gas, water, sewage, energy, telecommunications, data and all other services and utilities and all structures, machinery and equipment ancillary to those media;

Term means nine hundred and ninety nine years from the date hereof;

Works means construction of the works as defined in the Agreement relating to the Premises.

- 1.2 References to statutes bye laws regulations orders and delegated legislation shall include any statute bye law regulation order or delegated legislation re enacting consolidating or made pursuant to the same.
- 1.3 References to Premises shall save where the context requires otherwise include reference to part or parts thereof.
- 1.4 Reference to one gender includes all other genders and vice versa.
- 1.5 References to the singular include the plural and vice versa.
- 1.6 References to persons include individuals companies corporations firms partnerships government bodies and agencies.
- 1.7 Titles and headings are for reference only and shall not affect the interpretation of this Lease.
- 1.8 If any provision in this Lease is held to be illegal void invalid or unenforceable for any reason the legality validity and enforceability of the remainder of this Lease shall not be affected.

2 Demise of the Premises

In accordance with the terms of the Agreement and in consideration of the covenants on the part of the Tenant herein contained the Landlord HEREBY DEMISES unto the Tenant with FULL TITLE GUARANTEE ALL the Premises TO HOLD the same unto the Tenant from the date hereof for the Term TOGETHER WITH the rights specified in the Fourth Schedule SUBJECT to all rights reserved out of the Premises specified in the Third Schedule affecting the Premises or any part PAYING the yearly rent of ONE PEPPERCORN (if demanded) on each anniversary of the date of this Lease.

3 Tenant's covenants

The Tenant HEREBY COVENANTS with the Landlord to observe and perform:

- 3.1 the obligations on the part of the Tenant set out in Part 1 of the First Schedule throughout the Term and
- 3.2 the obligations on the part of the Tenant set out in Part 2 of the First Schedule from Implementation until the Practical Completion Date.

4 Landlord's covenants

The Landlord HEREBY COVENANTS with the Tenant as follows:

- 4.1 That the Tenant observing and performing the several covenants and stipulations on the part of the Tenant herein contained shall peacefully hold and enjoy the Premises during the said Term without any interruption by the Landlord or any person rightfully claiming under or in trust for it;
- 4.2 To comply with the Landlord's covenants in the Second Schedule.

5 RP's Covenants

The RP hereby covenants with the Landlord and the Tenant to observe and perform the covenants in the Sixth Schedule and for the avoidance of doubt the RP shall not by entering into this Lease be bound by any other covenants herein contained.

6 General provisions

- 6.1 If any monies payable under this Lease shall be due but unpaid on the date for payment of the same the Tenant shall pay to the Landlord (or vice versa, as the case may be) on demand interest thereon at the Interest Rate from the date such monies were due to the date such monies are received by the Landlord (or the Tenant as the case may be) (both dates inclusive) Provided Always that the provisions of this sub clause shall not prejudice any other right or remedy of the Landlord (or the Tenant as the case may be) in respect of any breach of any of the covenants on the part of the Tenant (or the Landlord as the case may be) herein contained.
- 6.2 Any notice herein or by statute required to be served by any of the parties hereto shall be sufficiently served by the relevant party by being left at or sent by post to the intended recipient's principal or registered office for the time being.
- 6.3 All monies payable under the terms of this Lease are paid exclusive of Value Added Tax (if any) and in the event Value Added Tax becomes chargeable on such monies the Tenant will on demand pay the same to the Landlord at the appropriate rate.
- 6.4 The operation of Section 62 of the Law of Property Act 1925 shall be excluded from this Lease and the only rights granted to the Tenant are those expressly set out in this Lease and the Tenant shall not by virtue of this Lease acquire or be deemed to have acquired or be entitled to any easement from or over or affecting any other land or premises now or at any time hereafter belonging to the Landlord and not comprised in this Lease.

6.5 Notwithstanding the provisions of this Lease the Landlord and all persons authorised by it shall have the power without obtaining consent from or making any compensation to the other to deal as they may think fit with any of the land buildings and hereditaments adjacent adjoining or near to the Premises and to carry out any development thereon in such manner as they think fit.

6.6 Nothing in this Lease shall prejudice modify or vary the rights powers and duties of the Landlord in its capacity as the Local Planning Authority or created or conferred by statute and any licence approval or consent required under this Lease shall be in addition to any licence approval or consent required from the Landlord under any statute bye-law order or regulation.

7 Contracts (Rights of Third Parties) Act 1999

Unless the Lease states otherwise the parties do not intend to confer any right or benefit which is enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 upon any party who is not a party to this Lease.

8 Jurisdiction

This Lease shall be governed and construed in accordance with English law and the English courts shall have jurisdiction in relation to any disputes between the Landlord and the Tenant arising out of or related to this Lease.

9 Forfeiture

9.1 If the Tenant does not pay all the rent or does not observe any other condition of this Lease, subject to clause 9.2 below, the Landlord may re-enter the Premises or any part of them in the name of the whole and the Term will end but without prejudice to any claim for any antecedent breach.

9.2 Prior to exercising its right of re-entry, the Landlord shall firstly serve written notice on the Tenant's Funder (as hereinafter defined) specifying the breach and giving the Tenant's Funder a reasonable period within which to remedy the same. Only where the Tenant's Funder fails to remedy the same within such reasonable period shall the Landlord be entitled to exercise its right of re-entry under clause 9.1.

10 No implied easements

Nothing shall:

10.1 confer on the Tenant any right to the benefit of or to enforce any covenant, condition or agreement relating to any other property belonging to the Landlord;

10.2 limit or affect the right of the Landlord to deal in any manner which the Landlord may think fit with any other property belonging to the Landlord at any time; or

- 10.3 confer on the Tenant any liberty, privilege, easement, right or advantage whatsoever mentioned or referred to in section 62 of the Law of Property Act 1925 except for those expressly set out in this Lease.

11 Exclusion of warranty

The Landlord does not warrant or represent that the Premises may be used for the Tenant's intended use or any other purpose.

12 Exclusion Of The Landlord And Tenant Act 1954

- 12.1 The Landlord and the Tenant confirm that before the Agreement was entered into:

12.1.1 notice complying with Schedule 1 to the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 which relates to this tenancy was served by the Landlord on the Tenant on []; and

12.1.2 a statutory declaration dated [] complying with paragraph 8 of Schedule 2 to that Order was made by the Tenant or [], whom the Tenant confirms was duly authorised by the Tenant to make the statutory declaration on its behalf.

- 12.2 The Landlord and the Tenant agree that the provisions of sections 24–28 of the Landlord and Tenant Act 1954 shall be excluded in relation to the tenancy created by this deed.

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

First Schedule

(Tenant's Covenants)

Part 1

(Throughout Term)

- 1 To pay (if demanded) the reserved rent on the days aforesaid.
- 2 To pay all rates taxes claims assessments and outgoings whatsoever in respect of the Premises now or hereafter imposed or charged upon the owner occupier or otherwise other than those arising from any dealing with the reversionary interests to this Lease.
- 3 To pay and indemnify the Landlord against any Value Added Tax (or any tax of a similar nature that may be substituted for it or levied in addition to it) at the rate for the time being in force chargeable in respect of any payment made by the Tenant to the Landlord or any person on the Landlord's behalf in connection with or under any of the provisions of this Schedule and any rent payable hereunder.
- 4 To pay all reasonable and proper expenses (including solicitors' costs and surveyor's fees) incurred by the Landlord of and incidental to and in connection with any notices or consents required or given hereunder by the Landlord.
- 5 Upon the receipt of any notice order direction or thing from any competent authority affecting or likely to affect the Premises whether the same shall be served directly on the Tenant or the original or a copy thereof be received from any other person whatsoever the Tenant will so far as such notice order direction or other thing by law requires something to be done or not to be done with respect to the Premises comply with the same at its own expense (or procure that it is complied with).
- 6 At the expense of the Tenant to comply with all present and future Acts of Parliament ("Acts") relating to the Premises or its use and to bear and pay all expenses required or imposed by any such Acts in respect of any works carried out by the Tenant on the Premises or in respect of any user thereof.
- 7 To pay all expenses (including solicitors' costs and surveyor's fees) incurred by the Landlord of and incidental to and in connection with:
 - 7.1 the preparation and service of any notice under Section 146 of the Law of Property Act 1925 properly prepared and served notwithstanding forfeiture is avoided otherwise than by relief granted by the Court; and
 - 7.2 any notices or consents required or given hereunder.
- 8 Where the use of Service Media boundary structures or other things is common to the Premises and Retained Land to be responsible for and to indemnify the Landlord against all proper sums due from and to undertake all

work that is properly the responsibility of the lessee or occupier of the Premises in relation to such matters.

- 9 Not to make connections with Retained Service Media serving the Premises without previously obtaining consent to make such connections from the competent statutory authority or undertaker and/or adjoining landowner.
- 10.1 Not to make future connection to the Retained Service Media which are beyond the capacity and not to discharge any effluent into any Retained Service Media as is harmful or corrosive to the Retained Service Media or causes any obstruction thereto.
- 10.2 Not to cause or permit not to do or omit to do any act the result of which is to cause material damage to or interference (other than temporary) with any of the Retained Service Media.
- 11 By way of indemnity only to observe and perform the covenants and stipulations affecting the freehold title to the Premises in so far as the same are still subsisting and capable of affecting the same.
- 12 User
- 12.1 Not to use the Premises for any dangerous noxious or noisy trade, business or manufacture or occupation nor for any illegal or immoral act or purpose PROVIDED THAT the undertaking of the works in accordance with the terms and requirements of Agreement shall not constitute a breach of this covenant.
- 12.2 From the Practical Completion Date not to use the Premises other than for Permitted Use
- 12.3 To use the Premises in a tenantlike manner.
- 13 Alienation
- 13.1 Not to assign or charge part only of this Lease (save as envisaged by the Fifth Schedule) PROVIDED THAT this restriction shall not carry forward to underleases of whole or part
- 13.2 Within twenty eight days (28) after the date of every mortgage or charge underlease transfer assignment or other disposal of this Lease or any part hereof to give notice in writing to the Landlord and to produce to it upon request the instrument creating such disposal and to pay the Landlord's reasonable legal fees in dealing with such notice
- 14 To impose in any lease of a Dwelling the following covenants (or covenants having the same substantive effect) upon any lessee in a manner ensuring that the benefit and burden of the following provisions bind all future owners of a Dwelling:-
- 14.1 Not to use the Dwelling or permit the same to be used for any purpose whatsoever other than as a residential dwelling only nor to cause permit or suffer anything to happen or occur in the Dwelling which shall cause a

nuisance to arise to the owners lessees and occupiers of other properties on the estate nor to the occupiers owners or lessees of adjoining or neighbouring property nor to use or permit or suffer the premises to be used for illegal or immoral purposes

- 14.2 Not to do or permit or suffer to be done any act or thing which may render void or voidable any policy of insurance covering the Dwelling or any part of the estate or may cause an increased premium to be payable in respect thereof.
- 14.3 Not to throw dirt rubbish or other refuse or permit or suffer the same to be thrown into the sinks baths lavatories cisterns or waste or soil pipes in or attached to the Dwelling;
- 14.4 No piano pianola gramophone wireless television loudspeaker or mechanical or other musical instrument or means of reproduction of sound of any kind shall be played or used nor shall any singing be practised in the Dwelling so as to be audible outside the Dwelling between the hours of eleven p.m. and nine a.m.
- 14.5 No name writing drawing signboard plate or placard of any kind shall be put on or in any window on the exterior of the Dwelling or so to be visible from outside the Dwelling.
- 14.6 Not to leave or place (or allow to be left or placed) on the common areas any object whatsoever and in no circumstances to obstruct or interfere with the free movement of all authorised persons over the roads or pathways.
- 14.7 Not to use any car parking area otherwise than for the parking of a car or motorcycle and in particular: (i) not to permit the parking or storage of any boat, (ii) not to erect or place any structure thereon, (iii) not to abandon any car motorbike van or other vehicle on the car parking area, and (iv) not to carry out any major repairs or any other works to any vehicle on the car parking area.
- 14.8 At least once in every month be responsible for cleaning the windows in the Dwelling.
- 14.9 Not to mutilate or remove the trees and/or shrubs which may be planted within the boundary of the Dwelling and to keep all garden areas tidy.
- 14.10 To perform and observe all conditions contained in any planning permission affecting the Dwelling.
- 14.11 Not to make any material alterations or additions to the exterior of the Dwelling nor to erect any structures or new buildings thereon with the exception of the addition of porches or conservatories to houses.
- 14.12 (In relation to a Dwelling which is not a house) not to use the roof space of any building for any purpose without the landlord's prior written consent.
- 14.13 In relation to any balcony area forming part of the Dwelling to (i) keep the balcony area clean and tidy at all times, (ii) keep the balcony area free of anything that could be a danger to anyone, (iii) not allow any animal to foul the balcony area, and (iv) not light fires, including barbeques, on the balcony area.

- 15 To impose an obligation on any management company/agent an obligation to manage the Premises in accordance with good estate management principles.
- 16 To insure or to procure the insurance of the Premises against loss or damage by the Insured Risks with insurers of good repute in the full reinstatement value together with architects and surveyors and other appropriate professional fees and incidental expenses including the costs of demolition and site clearance
- 17 To impose in every underlease or transfer of every Private Sale Home a covenant on the underlessee or the transferee to pay the Ground Rent applicable to the said Private Sale Home to the RP, which shall initially be between £200 and £500 per year and shall be subject to upwards only rent reviews.
- 18 At the end of the Term quietly yield up the Premises to the Landlord with vacant possession (but subject to and with the benefit of any secure tenancies) in a condition consistent with due performance and observance by the Tenant of all of its obligations under this Lease.
- 19 To keep the Premises clean and tidy and clear of all rubbish and not to convert waste on the Premises.
- 20.1 Not to abandon any easements or rights appurtenant to the Premises.
- 20.2 Not to permit any easement or similar right to be acquired against the Premises.

First Schedule

Part 2

(From Implementation until Practical Completion Date)

In this Schedule the following terms shall have the following meanings and all other defined terms shall have the same meanings as ascribed to them in the Agreement:

Excluded Properties means such of the dwellings and apartment blocks (if any) which have reached Practical Completion as at the date of the Surrender Notice (as applicable);

Incoming Developer means a party serving a step in notice under paragraph 2.3 of Part 2 of this Schedule or any Replacement Developer nominated by such party

Surrender Notice means a notice served by the Landlord on the Tenant requesting a surrender of this Lease insofar as it relates to the Surrender Premises pursuant to this Lease;

Surrender Premises means the Premises excluding the Excluded Properties;

Tenant's Funder means Bank of Scotland plc of The Mound Edinburgh EH1 1YZ and/or such other bank or other financial institution having a security interest over this Lease or a mortgagee providing material finance the identity of which has been notified to the Landlord in writing;

1 Tenant's Covenants

- 1.1 The Tenant shall Implement the Regeneration in accordance with the Planning Permission within three months of the grant of this lease provided that such period shall be extended by a delay caused by a Delay Event and the Tenant shall serve notice in writing of its intention to take occupation of the Premises for the purposes of Implementation.
- 1.2 Following Implementation the Tenant shall observe and perform its obligations as developer under the Agreement insofar as it relates to the Premises as if the same were repeated herein (mutatis mutandis) provided that if there is any conflict between the terms of the Agreement and the terms of this Lease then the terms of this Lease shall prevail.
- 1.3.1 The Tenant may not assign or part with the whole or part of this Lease prior to Practical Completion without the written consent of the Landlord (which may be given or withheld in the Landlord's absolute discretion) provided the Tenant may charge or mortgage as security (including a charge or mortgage by the Tenant to the Tenant's Funder) without the Landlord's consent subject to notifying the Landlord in writing and further provided that no consent will be required for any assignment of whole or part of this Lease envisaged pursuant to paragraph 2 of Part 2 of this First Schedule.
- 1.3.2 For the avoidance of doubt the provisions of paragraphs 1.3.1 of Part 2 of the First Schedule shall not in any way prevent the Tenant at any time from entering into an Authorised Disposal.

- 1.4 Within 14 days after the date of every mortgage or charge underlease transfer assignment or other disposal of this lease or any part thereof to give notice thereof in writing to the Landlord and produce to it on request the instrument creating such mortgage or charge.

2 Surrender

- 2.1 If prior to Practical Completion, the Landlord shall terminate the Agreement in whole pursuant to clause 25 of the Agreement as a consequence of default on the part of the Tenant, within the period of 3 calendar months from the date of termination of the Agreement the Landlord shall be entitled to serve a Surrender Notice on the Tenant
- 2.2 Prior to service of a Surrender Notice under paragraph 2.1 above, the Landlord shall firstly serve notice of its intention to serve a Surrender Notice ("an Intention Notice") on both the Tenant's Funder and the RP
- 2.3 The Tenant's Funder and the RP shall have a period of forty (40) working days from service of the Intention Notice within which to notify the Landlord whether one or both of such parties wishes to step into the role of the Tenant under this lease either to develop out the Surrender Premises ("a Step In of Whole Notice") or merely to develop out such part of the Surrender Premises on which the Affordable Homes are to be constructed ("a Step In of Affordable Notice")
- 2.4 Where both the Tenant's Funder and the RP serve a notice pursuant to paragraph 2.3 above:-
- 2.4.1 First priority shall be given to a Step In of Whole Notice served by the Tenant's Funder
- 2.4.2 Second priority shall be given to a Step In of Whole Notice served by the RP
- 2.4.3 Third priority shall be given to a Step In of Affordable Notice served by the Tenant's Funder
- 2.4.4 Fourth priority shall be given to a Step In of Affordable Notice served by the RP
- 2.5 Where a Step In of Whole Notice is served under paragraph 2.3:-
- 2.5.1 The Tenant shall if so required by the Tenant's Funder or the RP (as appropriate) assign its leasehold interest in the Surrender Premises to the Incoming Developer within fifty (50) working days of the Step In of Whole Notice
- 2.5.2 Following such assignment, the Incoming Developer shall:-
- (a) proceed to develop the Surrender Premises (as applicable) in accordance with the terms of this lease and

(notwithstanding termination of the same) the Agreement ;
and

- (b) as soon as reasonably practicable enter into such documentation as the Landlord may reasonably request to ensure that the relevant party has a direct contractual relationship with the Landlord

2.5.3 Subject to the relevant party complying with the terms of this paragraph 2 the Landlord's right to call for a surrender pursuant to the terms of the Fifth Schedule shall fall away

2.6 Where a Step In of Affordable Notice is served under paragraph 2.3:-

2.6.1 the Tenant within fifty (50) working days of the Step In of Affordable Notice shall if so required by the Tenant's Funder or the RP (as appropriate) assign to such party such part of its leasehold interest in the Surrender Premises on which the Affordable Homes are to be constructed

2.6.2 Following such assignment, the Incoming Developer shall:-

- (a) proceed to develop the Affordable Homes on the Surrender Premises (as applicable) in accordance with the terms of this lease and (notwithstanding termination of the same) the Agreement; and
- (b) as soon as reasonably practicable enter into such documentation as the Landlord may reasonably request to ensure that the relevant party has a direct contractual relationship with the Landlord

2.6.3 The Landlord shall be entitled to serve on the Tenant a Surrender Notice relating to the Surrender Premises less such part as is to be developed pursuant to the Step In of Affordable Notice and upon service of such Surrender Notice the Tenant shall surrender to the Landlord this Lease in so far as it relates to such premises in accordance with and on the terms set out in the Fifth Schedule subject to and with the benefit of any existing lease or leases granted pursuant to the terms of the Affordable Housing Agreement

2.7 The Incoming Developer may, if it has not done so in the Step-In Notice itself, at any time during the Step-In Period propose a Replacement Developer.

2.8 The parties shall enter into such documents as shall be reasonably required to transfer the rights and obligations of the Tenant to the Incoming Developer in respect of the whole or part of the Surrender Premises (as applicable) having regard to paragraphs 2.5 and 2.6.

2.9 Where (a) no notice is served under paragraph 2.3 or (b) the assignment of the lease (if requested) pursuant to paragraph 2.5.1 and the entry into the

documentation pursuant to paragraph 2.5.2 have not been completed by the dates in those paragraphs or (c) the assignment of the lease (if requested) pursuant to paragraph 2.6.1 and the entry into the documentation pursuant to paragraph 2.6.2 have not been completed by the date in these paragraphs then the Tenant shall on receipt of a Surrender Notice surrender this Lease to the Landlord in so far as it relates to the Surrender Premises in accordance with and on the terms set out in the Fifth Schedule subject to and with the benefit of any existing lease granted pursuant to the terms of the Affordable Housing Agreement

3 RP in Default

Paragraph 2 above shall not apply to the RP in circumstances where the Termination Notice has been served due to default on the part of the RP and the rights contained in those paragraphs shall apply to the Tenant's Funder only

4 Restriction

Contemporaneously with the Tenant's application to the Land Registry for registration of this Lease the Tenant covenants to apply to the Land Registry on form RX1 (or on any other superseding Land Registry form which may be required by the Land Registry from time to time) and to do all such acts and things as may be required to register in the proprietorship register of the Tenant's title to the Premises the following restriction:

"no disposition of the registered estate (other than a mortgage or charge) by the proprietor of the registered estate is to be registered without either (i) a certificate signed by the solicitors acting on behalf of the Landlord confirming that the provisions of paragraph 1.3 of Part 2 of the First Schedule to the Lease dated [] and made between [] have been complied with or (ii) a certificate signed by the solicitors acting for the registered proprietor that the disposal is an Authorised Disposal as defined in an Agreement dated [] 2012 and made between The London Borough of Barnet (1) and Countryside Properties (UK) Limited (2) London & Quadrant Housing Trust (3) and Countryside Properties plc (4)."

Such restriction will apply until the Practical Completion Date and the Landlord covenants to sign such documents and Land Registry forms and do all such acts and things as may be reasonably required to remove the restriction from the Tenant's title to the Premises after the Practical Completion Date.

5 Disputes

Any dispute under this Part 2 of the First Schedule to this Lease shall be addressed under clause 26 of the Agreement

6 Effect

The provisions of this Part 2 of the First Schedule shall only have effect prior to Practical Completion

Second Schedule

(Landlord's Covenants)

- 1 Where the use of Service Media boundary structures or other things is common to the Premises and Retained Land to be responsible for and to indemnify the Tenant against all proper sums due from and to undertake all work that is properly the responsibility of the owner lessee or occupier of the Retained Land in relation to such matters.
- 2 Not to make connections with Premises Service Media serving the Retained Land without previously obtaining consent to make such connections from the competent statutory authority or undertaker and/or adjoining landowner.
- 3.1 Not to make future connection to the Premises Service Media which are beyond the capacity and not to discharge any effluent into any Premises Service Media as is harmful or corrosive to the Premises Service Media or causes any obstruction thereto.
- 3.2 Not to cause or permit not to do or omit to do any act the result of which is to cause material damage to or interference (other than temporary) with any of the Premises Service Media.

Third Schedule

(Rights Reserved)

The rights for the benefit of the Retained Land and each and every part of it for the Landlord but in common (where appropriate) with the Tenant and all persons deriving title under the Tenant, persons authorised by any of them and all others having the like right:

1 Right of Way

Subject to paying a reasonable proportion of the cost of maintaining the same from time to time as the same are not adopted by the relevant highway authority to pass and repass for all purposes and at all times with or without vehicles (and the footpaths on foot only) over the Premises Access Roads following construction to wearing course level.

2 Services

To the free and uninterrupted passage and running of water soil gas electricity through the Premises Service Media.

3 Access to the Premises for works to Retained Service Media and building repairs to the Retained Land

Subject to the proviso to this paragraph, at all reasonable times after giving to the Tenant, as appropriate, not less than 48 hours previous notice in writing (except in the case of emergency when as much notice as can be given should be given) to enter upon those parts of the Premises as are then unbuilt upon with or without workmen and any necessary materials, plant machinery, equipment and apparatus for the purpose of:

- 3.1 inspecting, cleaning , repairing, maintaining and renewing the Retained Service Media;
- 3.2 making connection from the Premises Service Media to Retained Service Media;
- 3.3 carrying out any necessary works of repair or maintenance to buildings which now or may within the future be on the Retained Land where the works concerned cannot otherwise be done without such access;

Provided that the person exercising such rights causes as little damage and inconvenience as is consistent with the proper and reasonable exercise of such exceptions and reservations and makes good at its own cost all damage caused to the Premises to the reasonable satisfaction of the Tenant.

4 Support and Protection

Of support and protection from the Premises and buildings on the Premises as now enjoyed by the Retained Land as at the date of this Lease.

Fourth Schedule

(Rights Granted)

The right for the Tenant and those deriving title under the Tenant and other occupiers of the Premises and any persons authorised by the Tenant in common (where appropriate) with the Landlord and all others having the like right:

1 Right of Way

Subject to paying a reasonable proportion of the cost of maintaining the same from time to time as the same are not adopted by the relevant highway authority to pass and repass for all purposes and at all times with or without vehicles (and the footpaths on foot only) over the Retained Access Roads following construction to wearing course level.

2 Services

To the free and uninterrupted passage and running of water soil gas electricity through the Retained Service Media.

3 Access to the Retained Land for works to Premises Service Media and building repairs to the Premises

Subject to the proviso to this paragraph, at all reasonable times after giving to the Landlord, as appropriate, not less than 48 hours previous notice in writing (except in the case of emergency when as much notice as can be given should be given) to enter upon those parts of the Retained Land as are then unbuilt upon with or without workmen and any necessary materials, plant machinery, equipment and apparatus for the purpose of:

- 3.1 inspecting, cleaning, repairing, maintaining and renewing the Premises Service Media;
- 3.2 making connection from the Premises Service Media to Retained Service Media;
- 3.3 carrying out any necessary works of repair or maintenance to buildings which now or may within the future be on the Premises where the works concerned cannot otherwise be done without such access;

Provided that the person exercising such rights causes as little damage and inconvenience as is consistent with the proper and reasonable exercise of such exceptions and reservations and makes good at its own cost all damage caused to the Premises to the reasonable satisfaction of the Landlord.

4 Support and Protection

Of support and protection from the Retained Land and buildings on the Retained Land as now enjoyed by the Premises as at the date of this Lease.

5 Satellite Dishes

To install a maximum of three (3) satellite dishes on each block of apartments on the Premises

Fifth Schedule

Surrender of Lease

The provisions of this Schedule apply to any surrender of this Lease in relation to the Surrender Premises by the Tenant pursuant to Part 2 of the First Schedule to this Lease.

1. DEFINITIONS

The following definitions apply to this Schedule:

Agreed Form means in a form agreed between the Landlord and the Tenant (both acting reasonably);

Completion Date means the date which is 30 working days after the date of service of the Surrender Notice;

Surrender Document means:

- (i) if this Lease is registered and the Surrender Premises comprise the whole of the Premises, a TR1;
- (ii) if this Lease is registered but the Surrender Premises do not comprise the whole of the Premises a TP1; and
- (iii) if this Lease is not registered, a Deed of Surrender (of whole or of part as appropriate)

2. AGREEMENT TO SURRENDER

- 2.1 The Tenant shall surrender all its estate and interest in the Surrender Premises free from any charges to the Landlord by executing and delivering the relevant Surrender Document in Agreed Form to the Landlord on the Completion Date, to the intent that the residue of the terms granted by the Lease will merge and be extinguished in the reversion immediately expectant on its term.
- 2.2 The Landlord agrees to accept the surrender by executing and delivering to the Tenant on the Completion Date a counterpart of the relevant Surrender Document.
- 2.3 The Tenant shall comply with its obligations in the Lease until the date of actual completion and without prejudice to the generality of the foregoing shall (if required by the Landlord in writing), before the Completion Date, remove all fixtures and chattels belonging to the Tenant from the Surrender Premises and make good any damage caused to the Surrender Premises by such removal to the satisfaction of the Landlord.

3. TITLE

- 3.1 The surrender shall be made with full title guarantee.

- 3.2 The Tenant shall, if required by the Landlord, deduce its title to the Lease which will comprise official copies of the title plan and entries appearing on and copies or abstracts of any documents noted against the title number of this Lease within five working days of service of the Surrender Notice.

4. LAND REGISTRY IDENTITY REQUIREMENTS

- 4.1 **Clause 4.2** applies in respect of each registered charge over the Lease which is to be discharged or from which the Lease is to be released on or before completion and in respect of which the person with the benefit of that charge (in each case, the "**Lender**") is to execute a discharge in Land Registry Form DS1 or, as the case may be, a release in Land Registry Form DS3.
- 4.2 The Tenant shall procure that on or before the Completion Date the Tenant's solicitors deliver to the Landlord's solicitors:
- 4.2.1 if a Lender is represented by a Conveyancer, written details of the name, address and reference of that Conveyancer; or
- 4.2.2 if a Lender is not represented by a Conveyancer:
- (a) a duly completed Land Registry Form DS2 or AP1 (in the case of, and together with, a discharge in Form DS1), or Land Registry Form AP1 (in the case of, and together with, a release in Form DS3) signed by the Tenant's solicitors and together with such duly completed and signed supporting documents as may be required for the relevant DS2 or AP1 to be duly completed, or
 - (b) if, but only if, the Lender is a bank incorporated, or building society formed, in the UK, a duly completed Land Registry Form DS2 or AP1 (in the case of, and together with, a discharge in Form DS1), or Land Registry Form AP1 (in the case of, and together with, a release in Form DS3) signed by or on behalf of, the Lender,
- in each case to enable the Landlord's solicitors to register the discharge or release at the Land Registry.
- 4.3 If on the Completion Date the Tenant has not complied with all of its obligations in this **clause 4** the Tenant will be deemed not to be ready, able and willing to complete.
- 4.4 If the Land Registry requires any further evidence of the identity of any Lender or Attorney, the Tenant shall, upon written request from the Landlord or the Landlord's solicitors, use its reasonable endeavours promptly to provide the Landlord and the Landlord's solicitors with such information and/or documentation as the Land Registry may require.
- 4.5 In this **clause 4 "Conveyancer"** means a conveyancer within the meaning of the Land Registration Rules 2003 (as amended).

5. COMPLETION

- 5.1 Completion shall take place on the Completion Date at the offices of the Landlord's solicitors or where they may reasonably require.
- 5.2 On completion the Tenant shall deliver the duly executed Surrender Document and the original of this Lease and any other relevant title documents to the Landlord's solicitors and the Landlord shall deliver the duly executed Surrender Document to the Tenant or its solicitors.
- 5.3 The Tenant shall give vacant possession of the Surrender Premises on completion.
- 5.4 The Tenant agrees to grant to the Landlord in the Surrender Documents such rights as the Landlord reasonably requires over the Excluded Properties on the basis of the rights excepted and reserved as set out in the Third Schedule to this Lease

Sixth Schedule

RP's Covenants

- 1 The RP shall apply any Ground Rents received by it to provide maintain and operate the Community Facilities and ancillary services thereto (acting in accordance with the principles of good estate management) and with the consent of the Landlord (such consent not to be unreasonably withheld or delayed) to provide maintain and operate such other facilities and/or amenities and services ancillary thereto at the Regeneration Site for the benefit of the tenants and occupiers of the Regeneration Site and the local community.
- 2 The RP shall as soon as reasonably practicable after the first anniversary of the date of Practical Completion of the final Regeneration Phase (as defined in the Agreement) and annually thereafter prepare and send to the Landlord a statement or report which provides details of the Ground Rents received and the application of those receipts for the purpose permitted under paragraph 1 above (a **Ground Rent Receipts Report**) and to the extent that it has not expended or committed to expend any Ground Rents for such purpose within twelve (12) months following receipt by the RP, the RP shall at the written request of the Landlord pay such relevant amount to the Landlord and if the Landlord fails to make such request within thirty (30) working days the RP will be entitled to retain such relevant amount for use in connection with the purposes permitted under paragraph 1 of this Schedule and shall account for any remaining part of the relevant amount in the next Ground Rent Receipts Report.

**THE COMMON SEAL of LONDON
BOROUGH OF BARNET** was hereunto
affixed in the presence of

Solicitor Authorised by the Council

**THE COMMON SEAL of
COUNTRYSIDE PROPERTIES (UK)
LIMITED** was hereunto affixed in the
presence of

EXECUTED as a DEED by

by affixing the common seal of
**LONDON & QUADRANT
HOUSING TRUST**
in the presence of:

Authorised signatory:

.....

Authorised signatory:

.....

