

## **Appendix 2**

### **Draft Building Lease**

Dated

2014

- (1) THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF SOUTHWARK
- (2) NOTTING HILL HOUSING TRUST

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## Building Lease

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relating to premises known as Plot [ ] Aylesbury Estate Southwark

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## PARTICULARS

### PART 1: LAND REGISTRY PARTICULARS

LR1.	Date of lease	[2014]
LR2.	Title number(s)	
LR2.1	Landlord's title number(s)	[Relevant title numbers to be inserted]
LR2.2	Other title numbers	None
LR3.	Parties to this lease	
	Landlord	The Mayor and Burgesses of the London Borough of Southwark of 160 Tooley Street London SE1 2QH
	Tenant	Notting Hill Housing Trust (registered number IP16558R) whose registered office is at Bruce Kenrick House 2 Killick Street London N1 9FL
	Guarantor	None
LR4	Property	<p>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.</p> <p>The premises (referred to in this Lease as "the Premises") known as <b>Plot [ ]</b> Aylesbury Estate shown edged red on Plan 1. The premises include:</p> <p>(a) all buildings on them and all alterations, improvements and additions made to them during the Term</p> <p>(b) Conduits serving the premises at any time during the term</p> <p>(c) one half severed vertically of all party walls dividing the premises from any adjoining premises</p>
LR5.	Prescribed statements etc	
LR5.1	Statements prescribed under rules 179 (dispositions in favour of a charity), 180 (dispositions by a charity) or 196 (leases under the Leasehold Reform, Housing and Urban Development Act 1993) of the Land Registration Rules 2003	[To be confirmed]

LR5.2	This lease is made under, or by reference to, provisions of:	Not applicable.
LR6.	Term for which the Property is leased	125 years from and including the date of <b>[DN: [the date of this Lease] to be inserted]</b> <sup>1</sup> referred to in this Lease as "the Term Commencement Date")  (This term is referred to in this Lease as "the Contractual Term")
LR7.	Premium	A peppercorn
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	None
LR11.2	Easements granted or reserved by this lease over the Property for the benefit of other property	The rights specified in clause 3.1.
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	Not applicable

<sup>1</sup>For the first Plot within the First Development Site the term will be from the grant of the first building lease. Once this date is known this should be inserted in the agreed form of lease. For any subsequent plots the term will be from this date.

**THIS LEASE** is made on the date set out in **clause LR1** of the Land Registry Particulars  
**BETWEEN**

- (1) the Landlord; and
- (2) the Tenant.

**OPERATIVE PROVISIONS**

**1. INTERPRETATION**

1.1 In this Lease, the following words and expressions have the following meanings:

<b>"Archaeological Finds"</b>	all fossils, coins, articles of value or antiquity and structures or other remains or things of prehistoric, geological or archaeological interest
<b>"Authorised Use"</b>	the use of the Premises described in clause 8.1
<b>"Business Plan"</b>	has the meaning given in the Development Partnership Agreement
<b>"Contracted-out Tenancy"</b>	a tenancy: <ul style="list-style-type: none"><li>(a) that contains an agreement between the landlord and the tenant excluding the operation of sections 24 to 28 Landlord and Tenant Act 1954 in relation to it; and</li><li>(b) in respect of which the landlord and the tenant have taken all steps required under Part II of the Landlord and Tenant Act 1954 and The Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 before the grant of the tenancy or, if earlier, the exchange of any contract to grant the tenancy, to ensure that the agreement referred to in paragraph (a) is not void</li></ul>
<b>"Deeds and Documents"</b>	the deeds and documents listed in Part 2 of <b>Schedule 1</b>
<b>"Developer"</b>	has the meaning given to it in the Development Partnership Agreement
<b>"Developer's Principal Agent"</b>	has the meaning given to it in the Development Partnership Agreement
<b>"Development"</b>	the mixed tenure residential led redevelopment of the Premises in accordance with the Satisfactory Planning Permission and the Plot Implementation Plan and the Development

## Partnership Agreement

<b>"Development Partnership Agreement"</b>	the development partnership agreement in respect of the Premises and other land dated [ ] 2013 and made between (1) the Landlord (2) the Tenant
<b>"Developer Partner"</b>	has the meaning given to it in the Development Partnership Agreement
<b>"Development Works"</b>	the Development Works (within the meaning given to the term in the Development Partnership Agreement) to be undertaken at the Premises
<b>"Event of Default"</b>	has the meaning given in the Development Partnership Agreement
<b>"Interest Rate"</b>	the base lending rate from time to time of National Westminster Bank PLC or such comparable rate of interest as the Landlord may reasonably determine
<b>"Interim Uses"</b>	such interim uses as are expressly permitted in writing by the Landlord pursuant to the Development Partnership Agreement
<b>"Interim Use Underlease"</b>	the form of underlease to be entered into between the Tenant and the third party appointed to provide the Interim Uses only
<b>"Investor"</b>	an "Investor" as defined by the Development Partnership Agreement
<b>"Plan 1"</b>	the plan annexed hereto marked 'Plan 1'
<b>"Plot Implementation Plan"</b>	the Plot Implementation Plan for the Premises annexed as <b>Annexure [ ]</b>
<b>"Registered Title Matters"</b>	the rights granted and reserved and the covenants and other matters contained in the entries on the title numbers (as at the dates) specified in Part 1 of Schedule 1, copies of which are attached to this Lease
<b>"Rents"</b>	the rents reserved and payable under <b>clause 4.1</b>
<b>"Satisfactory Planning Permission"</b>	the planning permission[s] dated [ ] authorising the Development at the Premises reference number[s] [DN: to be inserted]
<b>"Term"</b>	the Contractual Term
<b>"VAT"</b>	value added tax

**"Working Days"**

means Monday to Friday excluding public holidays and the period between 24<sup>th</sup> December and 2<sup>nd</sup> January

**1.2 In this Lease:**

- 1.2.1 unless otherwise indicated, references to clauses and the Schedule are to clauses of and the Schedule to this Lease;
- 1.2.2 references to any statute or other legislation include references to any subsequent statute or legislation directly or indirectly amending, consolidating, extending, replacing or re-enacting that statute or legislation and to all orders, by-laws, directions and notices made or served under them;
- 1.2.3 references to the Landlord and the Tenant include their respective successors in title and, in the case of individuals, include their personal representatives;
- 1.2.4 the Landlord's obligations in this Lease do not bind the Landlord named in the Particulars after it has disposed of its interest in the Premises and it will not be liable for any breach of the Landlord's obligations in this Lease arising after the date of that disposal;
- 1.2.5 references to the Premises include any part of them unless specific reference is made to the whole of them;
- 1.2.6 references to adjoining premises include any premises adjoining or near to the Premises and references to adjoining premises owned by the Landlord include any adjoining premises owned by the Landlord at any time during the Term;
- 1.2.7 references to this Lease include any deed or document which is supplemental to, varies or is ancillary to this Lease from time to time;
- 1.2.8 references to the end of the "Term" include the determination of the Term before the end of the Contractual Term;
- 1.2.9 "including" means "including, without limitation";
- 1.2.10 "indemnify" means to indemnify against all actions, claims, demands and proceedings taken or made against the person receiving the indemnity and all reasonable and proper costs, damages, expenses, liabilities and losses incurred by the person receiving the indemnity;
- 1.2.11 references to the Tenant include, and the Tenant's covenants bind, any undertenant or other person in occupation of the Premises or deriving title under the Tenant, their successors in title, and any other person under the Tenant's or their control including employees, agents, workmen and invitees;
- 1.2.12 any covenant by the Tenant not to do any act or thing includes a covenant not to permit or allow the doing of that act or thing;
- 1.2.13 where two or more people form a party to this Lease, the obligations they undertake may be enforced against them all jointly or against each of them individually;



- 1.2.14 if any provision is held to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remainder of this Lease is to be unaffected; and
- 1.2.15 defined terms in clause 11.1 shall have the meanings given them in the Development Partnership Agreement unless otherwise defined in this Lease.
- 1.3 The Particulars form part of this Lease and words and expressions set out in the Particulars are to be treated as defined terms in this Lease.
- 1.4 The parties to this Lease do not intend that any of its terms will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person not a party to it.
- 1.5 This Lease is a "new tenancy" for the purposes of section 1 Landlord and Tenant (Covenants) Act 1995.
- 2. **LETTING, TERM AND TERMINATION**
- 2.1 In consideration of the Premium, which the Landlord has received, the Landlord lets the Premises to the Tenant for the Contractual Term.
- 2.2 The Tenant may quietly enjoy the Premises throughout the Term without any interruption by the Landlord or anyone lawfully claiming under or in trust for the Landlord.
- 2.3 The Landlord may enter onto the whole or any part of the Premises and by so doing end this Lease if the Tenant materially breaches any of its obligations in this Lease or the Plot Implementation Plan or where an Event of Default has occurred and the Development Partnership Agreement has been terminated in relation to the Premises.
- 2.4 Without prejudice to **clause 2.5** the Landlord will not exercise its right under **clause 2.3** unless and until it has:
  - 2.4.1 given written notice to the Tenant of its intention to do so together with details of the breach complained of; and
  - 2.4.2 given the Tenant a reasonable period of time (being no less than 20 Working Days) in which to remedy the breach and the breach has not been remedied in such period.
- 2.5 If the Landlord has received written notice of any charge, debenture, mortgage or any other security granted over the Premises by the Tenant it will not exercise its rights under **clause 2.3** unless and until it has:
  - 2.5.1 given written notice to the holder of that security of its intention to do so together with details of the breach complained of; and
  - 2.5.2 given the holder of that security a reasonable period of time in which to remedy the breach after the Tenant has failed to do so and the breach has not been remedied in such period.
- 2.6 If either the Tenant or the holder of any security (as contemplated by clause 2.5) disputes whether or not there is any breach and/or whether it is material and/or whether the period to remedy is reasonable it then the Tenant or the

holder of the security must give notice to the Council of such breach (time being of the essence) to the Landlord within 10 Working Days of the Landlord's notice at clause 2.4.1 and where such notice has been served the matter in dispute may be referred by the Tenant or the holder of any security for determination pursuant to and in accordance with the clause 14 of Development Partnership Agreement.

- 2.7 When this Lease ends it will be without prejudice to any outstanding claims between the Landlord and the Tenant.

### 3. **RESERVATIONS**

- 3.1 The following rights are reserved out of the letting for the benefit of the Landlord and any other person having express or implied authority from the Landlord to benefit from them:

3.1.1 A right to enter and remain upon so much as is necessary of the Premises on not less than 48 hours' prior notice (except in case of emergency) with or without workmen, plant and equipment:

3.1.1.1 to ascertain whether the Tenant has complied with the Tenant's obligations under this Lease;

3.1.1.2 to carry out any works which the Tenant should have carried out in accordance with the Tenant's obligations under this Lease;

3.1.1.3 to install new conduits within the Premises and connect to them for the passage and transmission of utilities to and from adjoining premises;

3.1.1.4 to connect to and use any conduits within or passing through the Premises for the passage or transmission of utilities to and from any adjoining Premises;

3.1.1.5 to erect scaffolding outside the Premises in connection with the rights reserved in this **clause 3** and any works to be carried out pursuant to those rights subject to the Landlord ensuring that the scaffolding does not materially prevent access to the Premises nor, so far as reasonably practicable having regard to the nature of scaffolding, materially interfere with the Tenant's use and enjoyment of the Premises.

- 3.2 The Tenant is to permit the exercise of the rights reserved in **clause 3.1** and is not to obstruct or prevent these rights being exercised in accordance with the terms of this Lease.

- 3.3 The letting is made subject to and with the benefit of the Registered Title Matters so far as they are still subsisting capable of taking effect and affect the Premises and the Deeds and Documents.

- 3.4 So far as they are still subsisting, capable of taking effect and affect the Premises, the Tenant is to comply with the title matters set out in **clause 3.3** and is to indemnify the Landlord against any breach of them occurring after the date hereof.

3.5 The letting is made subject to all rights of light and air and all other legal or equitable easements and rights belonging to or enjoyed by any other property.

3.6 This Lease does not confer upon the Tenant or the Landlord any rights or privileges over any other property except as expressly set out in this Lease and any rights implied by section 62 Law of Property Act 1925 or the rule in *Wheeldon v Burrows* are expressly excluded.

#### **4. RENTS PAYABLE**

4.1 The Tenant is to pay to the Landlord during the Term the annual rent of a peppercorn on each anniversary of the Term Commencement Date (if demanded).

4.2 All sums payable under this Lease are exclusive of VAT. Where, under the terms of this Lease, a supply is made that is subject to VAT, the person receiving the supply is to pay the VAT to the person making the supply and a valid VAT invoice is to be issued by the person making the supply.

4.3 If the Tenant does not pay any sums due to the Landlord under this Lease, within fourteen days of the due date for payment the Tenant is to pay interest on those sums, both after as well as before judgment, at 3% per annum above the Interest Rate for the period from and including the due date for payment to and including the date of actual payment.

#### **5. INSURANCE**

The Tenant is to from the date of this Lease comply (or procure the compliance of) the insurance requirements at clause 10 of the Development Partnership Agreement so far as they relate to the Premises.

#### **6. COSTS AND OUTGOINGS**

6.1 The Tenant is to pay all outgoings of whatever nature in relation to the Premises including business rates and utilities costs (including standing charges and taxes payable on utility costs). This obligation does not require the Tenant to pay any such outgoings arising from any valuation of or dealing by the Landlord with its interest in the Premises or to income or corporation tax payable by the Landlord on any sums due under this Lease.

6.2 The Tenant is to pay to the Landlord on demand the proper costs and expenses of the Landlord's solicitors, surveyors and other professional advisors and bailiff's fees and commissions including any irrecoverable VAT arising from any application made by the Tenant for the Landlord's consent for or approval of any matter under this Lease whether or not consent or approval is given (unless the Landlord acts unreasonably in withholding that consent or approval (or by attaching conditions) where the Landlord is required by this Lease or otherwise to act reasonably) or the application is withdrawn;

6.3 The Tenant is to indemnify the Landlord in respect of direct losses arising from:

6.3.1 any damage to or destruction of the Premises;

6.3.2 any injury to or death of any person;

6.3.3 damage to any property;

6.3.4 the infringement, disturbance or destruction of any rights or easements; or

6.3.5 other matters arising from the state of repair and condition of the Premises

resulting from any negligence of the Tenant or breach of the Tenant's covenants in this Lease.

## 7. MAINTENANCE UNTIL COMPLETION

7.1 Subject to clause 7.5 the Tenant is to:

7.1.1 keep any parts of the Premises that are not built on clean and tidy and free from weeds with any landscaped areas planted and well tended and any parking spaces, roads, pavements and service areas properly surfaced; and

7.1.2 erect and maintain fences along the boundary of the Premises and ensure that the Premises are secure against unauthorised entry.

7.2 Following the service of any notice, whether by the Landlord or any public authority, the Tenant is to carry out any repairs or other works to the Premises required by that notice within the period specified in the notice or, if no period is specified, within a reasonable period after the receipt of the notice. The Landlord may serve notice under this **clause 7.2** only to specify repairs or other works that are required to remedy any breach by the Tenant of its obligations under this Lease and any period specified must be reasonable in all the circumstances.

7.3 If the Tenant does not comply with **clause 7.2**, the Tenant is to permit the Landlord to enter and remain upon the Premises with or without workmen, plant and materials to carry out the repairs or other works required. The costs incurred by the Landlord in carrying out the repairs or other works are to be paid by the Tenant to the Landlord on demand as a debt and not as rent together with interest on those costs at 3% per annum above the Interest Rate calculated from and including the date on which the Landlord incurred them to and including the date on which they are paid.

7.4 The Tenant is to take any action that the Landlord may properly and reasonably require in respect of any defects in the Premises which might give rise to a duty or liability on the part of the Landlord under the Defective Premises Act 1972, any other statutory provision or at common law.

7.5 The provisions of **clause 7** shall not prevent the Tenant from redeveloping the Premises, including, where relevant, undertaking works of demolition, removal or partial demolition and the provisions of clause 7 shall apply to the Premises as redeveloped.

7.6 Until completion of the Development Works, the Tenant must keep and maintain the Premises and all parts of the Development Works at the Premises in a neat and tidy condition so far as may be reasonable and prevent so far as may be reasonably practicable any matters or things which may be unnecessarily unsightly or offensive visually or otherwise.

7.7 Archaeological Finds discovered at the Premises during the Development shall be the property of the Landlord and the Tenant must:

- 7.7.1 not conceal, remove or damage or permit to be concealed, removed or damaged any Archaeological Finds;
  - 7.7.2 promptly on discovery of any Archaeological Finds notify the Landlord (or other local archaeology authority);
  - 7.7.3 allow (upon such reasonable terms as may be agreed with the Tenant) officers and agents of the Landlord (or other local archaeology authority) with or without workmen and plant to enter the Premises for the purpose of appraising, recording and removing the Archaeological Finds;
  - 7.7.4 reimburse to the Landlord (or other local archaeology authority) or to any third party authorised by either of them costs incurred in the emergency recording of any significant Archaeological Find made during the carrying out of the Development Works.
- 7.8 Subject to the Tenant obtaining all necessary consents, the Tenant is not to cut down or top any trees on the Premises without the consent in writing of the Landlord (which is not to be unreasonably withheld or delayed) which if granted may be subject to such conditions as the Landlord may reasonably require.
- 7.9 The Tenant may use for the purpose of the Development any substances which may be excavated in the proper execution of such works without making any payment for such substances to the Landlord or to any person) Provided Always that where such earth, clay, gravel or sand is not required by the Tenant for the purposes of the Development the Tenant must not sell or dispose of such earth, clay, gravel or sand or permit or suffer any of the same to be removed from the Premises without the prior approval of the Landlord (which is not to be unreasonably withheld or delayed) and such payments received by the Tenant on its disposal shall be paid to the Landlord.
- 8. USE OF THE PREMISES**
- 8.1 The Tenant is not to use the Premises other than for the Development in order to carry out the Development Works or for In Interim Uses or (subject to the proviso to **clause 8.4**) for such other use as the Landlord may approve (such approval not to be unreasonably withheld or delayed).
- 8.2 The Tenant is not to use the Premises:
- 8.2.1 for any illegal or immoral purpose or any lewd, obscene or pornographic nature or any activity which in the reasonable opinion of the Landlord is of such nature; or
  - 8.2.2 in a manner which creates a legal nuisance, physical damage or annoyance to the Landlord or any tenants or occupiers of any adjoining premises.
- 8.3 The Tenant is not to allow any hazardous or contaminative materials to escape into the ground or any watercourse whether or not they form part of the Premises.
- 8.4 The Landlord gives no warranty to the Tenant that the Authorised Use is or will remain a lawful or permitted use for the Premises under planning legislation.

**9. ASSIGNMENT, UNDERLETTING AND CHARGING**

- 9.1 The Tenant is not to assign, underlet, part with possession or share occupation of the whole or any part of the Premises, hold the whole or any part of the Premises on trust for any other person or enter into any agreement to do so except and to the extent that it is expressly permitted to do so by the terms of this Lease.
- 9.2 The Tenant may assign the whole of the Premises to an Investor only.
- 9.3 The Tenant is not to underlet save in accordance with clause 10.
- 9.4 The Tenant is not to create any charge, whether legal or equitable, over the Premises without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.
- 9.5 The Tenant may share occupation and/or hold this Lease on trust for the Developer's Principal Agent and Developer Partner and any of its or their contractors.
- 9.6 Within one month after any assignment, charge or assent of the Premises and the grant, assignment or charging of any underlease, however remote, the Tenant is to give written notice to the Landlord of the disposition together with certified copies of all the documents giving effect to it and is to pay to the Landlord a proper and reasonable registration fee being not less than £35.
- 9.7 Pursuant to the Tenant's obligations under section 40 Landlord and Tenant Act 1954, following a written request from the Landlord the Tenant is to supply written details to the Landlord of:
- 9.7.1 the full names and addresses of any occupier in occupation of the Premises to carry out an Interim Use or otherwise; and
- 9.7.2 the business carried on by the occupier or occupiers at the Premises
- to the extent that such information is in the possession of the Tenant (or can be properly obtained by the Tenant) and its supply would not breach any legal requirement upon the Tenant.

**10. INTERIM USE UNDERLEASE**

- 10.1 The Tenant is not to grant any underlease save as an Interim Use Underlease to a person appointed to provide Interim Uses.
- 10.2 Any Interim Use Underlease is (unless otherwise agreed by the Landlord) is to accord with the heads of terms for such leases as set out in the business plan annexed to the Development Partnership Agreement and is otherwise to be in a form approved by the Landlord (acting reasonably).
- 10.3 The Tenant is not to make any material changes to any Interim Use Underlease(s) without the Landlord's written consent.
- 10.4 The Interim Use Underlease is to be a Contracted-Out Tenancy and before the grant of any Interim Use Underlease or entering into any contractual obligation to grant an Interim Use Underlease, the Tenant and the undertenant are to comply with the requirements Part II Landlord and Tenant Act 1954 and Schedules 1 and 2 to The Regulatory Reform (Business Tenancies)(England and

Wales) Order 2003 to ensure that sections 24 to 28 Landlord and Tenant Act 1954 will be excluded from the Interim Use Underlease.

- 10.5 On the grant of any Interim Use Underlease the undertenant is to enter into a direct deed of covenant with the Landlord both to comply with the undertenant's covenants in the Interim Use Underlease whilst it remains an undertenant and to procure that any proposed assignee of the Interim Use Underlease enters into a direct deed of covenant with the Landlord on an assignment of the Interim Use Underlease in the same form as this **clause 10.5**.
- 10.6 Where an Interim Use Underlease has been granted the Tenant is to perform and observe all of the covenants and obligations of the landlord under the Interim Use Underlease.

## **11. DEVELOPMENT PARTNERSHIP AGREEMENT OBLIGATIONS**

- 11.1 The Tenant is to comply and perform or procure the compliance with and the performance of the covenants and obligations on the Developer (as defined in the Development Partnership Agreement) in the Development Partnership Agreement and the Plot Implementation Plan as if such terms were set out in full in this Lease so far as such obligations relate to the Premises and are capable of being discharged by undertaking the Development on the Premises including (but not limited to the following) so far as they relate to the Premises:
- 11.1.1 The obligations, covenants, indemnities and conditions to be complied with by the Developer in the Development Partnership Agreement (Including the Business Plan);
  - 11.1.2 The financial provisions (including but not limited the obligation to pay the Overage) contained in schedules 4 and 5 of the Development Partnership Agreement;
  - 11.1.3 The development obligations imposed on the Developer set out at Schedule 13, 14 and 15 of the Development Partnership Agreement and where the Tenant is to carry out demolition works, with Schedule 10 of the Development Partnership Agreement.
  - 11.1.4 The obligation to carry out and complete the Development Works in accordance with:
    - 11.1.4.1 the Milestones and Longstop Dates set out at Schedule 2 of the Development Partnership Agreement;
    - 11.1.4.2 the Minimum Requirements set out at Schedule 3 of the Development Partnership Agreement;
    - 11.1.4.3 the KPIs set out (and as may be amended from time to time) in the Business Plan; and
    - 11.1.4.4 the Plot Implementation Plan
  - 11.1.5 The environmental covenants, indemnities and conditions as set out in schedule 18 of the Development Partnership Agreement;
- 11.2 The Tenant is to comply with and perform the obligations within the Development Partnership Agreement in relation to Freedom of Information and

Confidentiality (Schedule 21), Anti-Corruption (Schedule 17) and TUPE (Schedule 22).

**12. LEGISLATION AND PLANNING**

12.1 The Tenant is (where the same are legally binding) to comply with all statutes, other legislation and any notice, order, proposal, requisition, direction or other communication from any public authority in respect of the Premises, their use and occupation or the carrying out of any works to the Premises and indemnify the Landlord against any breach of this obligation.

12.2 If the Tenant receives any notice, order, proposal, requisition, direction or other communication from any public authority or third party affecting or likely to affect the Premises, their use and occupation or the carrying out of any works to the Premises, the Tenant is at its own cost immediately to provide a copy to the Landlord.

**13. END OF THE TERM**

At the end of the Term or on the earlier termination of this Lease in whole or in part, the Tenant and the Landlord to use reasonable endeavours to assist the other in removing any notice relating to this lease and the rights granted and reserved by it from the title number(s) referred to in clauses LR2.1 and LR2.2 of the Land Registry Particulars, and in closing the leasehold title for the lease at the Land Registry.

**14. LAND REGISTRY APPLICATIONS**

14.1 As soon as reasonably practicable after the date of this Lease, the Tenant named in the Particulars is to apply to the Land Registry for first registration of the title to this Lease and apply for a note of this Lease to be entered on the title number(s) set out in **clause LR2.1** of the Land Registry Particulars. As part of the application, the Tenant is to use all reasonable endeavours to ensure that the Land Registry notes the burden of the rights reserved by **clause 3.1** on the leasehold title. On completion of the registration, the Tenant is to provide official copies of the new title to the Landlord showing the Tenant registered as proprietor together with a copy of the title plan.

14.2 The Landlord will not be liable to the Tenant for any failure by the Tenant to register this Lease at the Land Registry or to register or note any of the rights granted or reserved by this Lease at the Land Registry either by notice or by way of caution against first registration, whichever is appropriate.

**15. ENFORCEMENT**

15.1 This Lease is to be governed by and interpreted in accordance with English law.

15.2 Any notice under this Lease is to be served in writing in accordance with section 196 Law of Property Act 1925.

15.3 The courts of England are to have jurisdiction in relation to any disputes between the parties arising out of or related to this Lease.

**16. CONTRACTING OUT**

The Landlord and the Tenant agree to exclude the provisions of sections 24 to 28 Landlord and Tenant Act 1954 in relation to the tenancy created by this Lease.



The Tenant confirms that before it became contractually bound to enter into the tenancy created by this Lease:

- 16.1.1 the Landlord served on the Tenant a notice ("the Notice") dated [DATE] in relation to the tenancy created by this Lease in a form complying with the requirements of Schedule 1 to The Regulatory Reform (Business Tenancies) (England and Wales) Order 2003;
- 16.1.2 the Tenant, or a person duly authorised by the Tenant, in relation to the Notice made [a declaration] [a statutory declaration] ("the Declaration") dated [DATE] in a form complying with the requirements of Schedule 2 to The Regulatory Reform (Business Tenancies) (England and Wales) Order 2003; and
- 16.1.3 where the Declaration was made by a person other than the Tenant, the declarant was duly authorised by the Tenant to make the Declaration on the Tenant's behalf.

## 17. **BREAK RIGHT**

- 17.1 The landlord may end this Lease at any time after the date of this Lease by serving written notice on the Tenant at any time where: (1) the Tenant commits an Event of Default which is not remedied in accordance with the provisions in the Development Partnership Agreement; or (2) there is a material breach of the Tenant's Covenants in this Lease or the requirements of the Plot Implementation Plan.
- 17.2 If the Landlord has received written notice of any charge, debenture, mortgage or any other security granted over the Premises by the Tenant it will not exercise its rights under **clause 17.1** unless and until it has:
  - 17.2.1 given written notice to the holder of that security of its intention to do so together with details of the breach complained of; and
  - 17.2.2 given the holder of that security a reasonable period of time in which to remedy the breach and the breach has not been remedied in such period.
- 17.3 Where the requirements for completion of a Sub-Plot Lease or Plot Lease have been achieved in accordance with [paragraph 1.5 of Schedule 12] of the Development Partnership Agreement either the Landlord or the Tenant may terminate this Building Lease so far as it relates to such part of the Premises by serving written notice including a plan of the land that is to be subject to the grant of the relevant Sub-Plot Lease or Plot Lease ("the Relevant Plot") and to be removed from the demise of this Building Lease and this Lease is to terminate for such Relevant Plot on the Completion Date (as defined in the Development Partnership Agreement) for the Relevant Plot and the Completion Date shall be the break date for the Relevant Plot ("the Break Date").
- 17.4 So far as they relate to the Relevant Plot the Landlord and Tenant respectively release each other from the terms of this Lease and from all liability in respect of any breach of this Lease whether arising before, on or after the Break Date.
- 17.5 Where the Lease is terminated for a Relevant Plot, this Lease continues to apply to the Premises excluding the Relevant Plot and any other Relevant Plot in respect of which the Break Date has occurred previously ("the Retained Premises").

17.6 Any termination of this Lease pursuant to clause 17.3 does not release any party to it from any breaches of the terms of this Lease in respect of the Retained Premises existing at the relevant Break Date.

17.7 Any termination does not create a surrender and re-grant of the Lease.

17.8 When this Lease ends or is determined as to any part of the Premises it will be without prejudice to any outstanding claims between the Landlord and the Tenant.

18. **EXECUTION**

The parties have executed this Lease as a deed and it is delivered on the date set out in **clause LR1** of the Land Registry Particulars.

**SCHEDULE 1**

**Part 1: Registered Title Matters**

[Registered Titles for the relevant phase to be inserted]

**Part 2: Deeds and Documents**

Date	Document	Parties
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**EXECUTED** as a deed by affixing )  
the common seal of )  
The Mayor and Burgesses of the London )  
Borough of Southwark )  
in the presence of: )

**Authorised Signatory**

**SIGNED** as a deed by )  
Notting Hill Housing Trust )  
acting by a director and its secretary )  
or two directors )

**Director**

**Director / Secretary**