

Marischal Square

NEW ABERDEEN

Date: 5 October 2019

Issued By: Ryden

1.	Property Address:	Level 4 , 1MSq Marischal Square Broad Street Aberdeen AB10 1LP						
2.	Developer:	Muse Developments Limited.						
3.	Head Landlord:	Aviva Investors Commercial Assets GP Limited as general partner of and trustee for AVIVA INVESTORS REaLM COMMERCIAL ASSETS LP.						
4.	Landlord:	Aberdeen City Council.						
5.	Tenant:	KPMG LLP 15 Canada Square, London, E14 5GL Registered Company Number OC301450.						
6.	Demise:	<p>1MSq</p> <table border="1"> <thead> <tr> <th>Floor</th><th>NIA sq ft</th><th>NIA sq m</th></tr> </thead> <tbody> <tr> <td>Level 4</td><td>11,846</td><td>1,100.53</td></tr> </tbody> </table> <p>As per Plowman Craven Measurement Report & subject to check measurements undertaken by Tenants agent.</p>	Floor	NIA sq ft	NIA sq m	Level 4	11,846	1,100.53
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Level 4	11,846	1,100.53						
7.	Car Parking:	<p>16 basement car spaces will be Leased with the subject accommodation.</p> <p>An additional 34 spaces (total 50 spaces) to be provided. Discussions ongoing.</p>						
8.	Lease Term:	The premises will be let by way of a Full Repairing and Insuring lease for a period of 10 years from lease commencement.						
9.	Lease Commencement Date:	<p>Lease commencement date will be fixed at 1 January 2020. The tenant will be permitted earlier entry for fit out purposes, but rent commencement will remain at this date.</p> <p>The tenant will require to pay service charge and will be able to use the car parking allocation from the earlier of the Lease Commencement Date and entry for fit out.</p>						
10.	Rental:	<p>The initial annual rental will be based on the following rates, exclusive of VAT.</p> <p>Year 1 £0 Year 2 £15.00 per sq.ft = £177,690 per annum Year 3 £15.00 per sq.ft = £177,690 per annum Year 4 £22.50 per sq.ft = £266,535 per annum Year 5 £30.00 per sq.ft = £355,380 per annum</p>						

		The rent will be payable quarterly in advance on the normal English quarter dates.
11.	Incentives:	<p>The Tenant will benefit from a reduced rent, as specified above.</p> <p>In addition the following contributions will be provided:</p> <ul style="list-style-type: none"> - Floorbox Allowance - £100 per floorbox (1 box per 10 sq m) - Carpet Allowance - £20 per sq m
12.	Rent Review:	At the 5 th anniversary, the rent will be reviewed linked to higher of OMRV or passing rent.
13.	External Areas:	The public realm areas within the development (except in so far as demised to bar/restaurant Tenants) will be maintained within the service charge regime.
14.	Alienation:	Assignment in part will be prohibited. Sub-letting in part, assignment and sub-letting of whole will be subject to landlord's consent not to be unreasonably withheld or delayed. Sharing with affiliated companies, sub-letting to group companies will be permitted and will not require landlord's consent.
15.	Alterations:	<p>Alterations will be subject to landlord's consent not to be unreasonably withheld or delayed.</p> <p>The landlord will use best endeavours to approve proposed tenant alterations in early course. Consent is not to be unreasonably withheld or delayed.</p> <p>All internal, non-structural; minor electrical and statutory works will not require landlord's consent. Provided these works do not involve any of the building systems in which case landlord's approval would be required. Given the multi-let nature of the building the signage will have to comply with the managing agents' signage policy but landlords approval will not be unreasonably withheld.</p>
16.	Service Charge:	<p>The Tenant will be liable for a pro-rata share of the service charge applicable to the building and of the larger development. Annual cost is currently estimated at £4.92 per sq ft for 1MSq.</p> <p>Marischal Square is <u>BREEAM Excellent and Energy Performance Rated 'A'</u>, so running costs are extremely low in comparison to alternatives.</p> <p>Full service charge budget to be provided.</p>
17.	Building Insurance:	<p>The Tenant will be responsible for a pro-rata share of the buildings and loss of rent insurance.</p> <p>Details of insurance premium to be provided.</p>
18.	Business Rates:	The Tenant will be responsible for all rates incurred as a result of the occupation of the premises and associated car parking spaces with effect from the date of entry.

		<p>As the office is a new build, the tenant should be entitled to 12 month's Rates exemption from the date of first occupation.</p> <p>RV 4th Floor East - £247,000 RV 16 parking spaces - £20,800</p> <p>NB – the current RV of the office space appears to apply to the entire space. It will require to be reassessed to exclude the areas in front of the rear stair lobby once this wall is constructed by the landlord.</p>
19.	Tenant Fit-out:	Please provide plans of proposed tenant fit out in order that a Licence for Works can be documented.
20.	Landlord's Works:	The landlord will build the rear wall to the suite per the agreed layout plan. The wall will be designed to comply with building regulations.
21.	Collateral Warranties:	There will be a full package of collateral warranties in favour of the Tenant, from the design team and the contractor.
22.	Reinstatement:	All Tenant alterations, unless otherwise agreed, to be removed and the demise reinstated by the end of the Lease term.
23.	Exclusivity:	There will be an exclusivity clause which will prohibit the landlord from letting space within 1MSq to any other of the "Big 4" accountancy firms.
24.	Legal Fees:	Each party will bear their own legal costs incurred in the transaction.
25.	LBTT & Registration Fees:	The Tenant will be responsible for the payment of LBTT, registration fees and VAT, which may be incurred in the transaction.
26.	VAT:	All figures quoted are exclusive of VAT.
27.	Landlord's Solicitor:	<p>Macroberts LLP Capella 60 York Street Glasgow G2 8JX</p> <p>Contact: [REDACTED] Tel : 0141 [REDACTED] Email: [REDACTED]@macroberts.com</p>
28.	Tenant's Solicitors:	<p>Pinsent Masons LLP 141 Bothwell Street G2 7EQ</p> <p>Contact: [REDACTED] Tel : 0141 [REDACTED]</p>
29.	Landlord's Agents:	Ryden

		25 Albyn Place Aberdeen AB10 1YL Contact: [REDACTED] Tel: 01224 [REDACTED] Email: [REDACTED]@ryden.co.uk
30.	Tenant's Agent:	Savills 5 Queen's Terrace Aberdeen AB10 1XL Contact: [REDACTED] Tel: 01224 [REDACTED] Email: [REDACTED]@savills.com
31.	Confidentiality:	These terms and any future negotiations are to remain confidential between the parties involved and their advisors.
32.	Conditions:	Please note the above Terms are subject to: <ul style="list-style-type: none"> • Landlord's Board approval • ACC approval • Building survey and associated due diligence carried out at the Tenants cost. • Tenant board approval.
33.	Disclaimer:	In accordance with the terms of the Requirements of Writing (Scotland) Act 1995, this document is neither intended to create nor to be relied upon as creating any contractual relationship or commitment.
34.	Prepared By:	[REDACTED], Ryden Edits by [REDACTED] Savills Further edits by [REDACTED] Ryden
35.	Date:	5 October 2019