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Lease

LR1. Date of lease

LR2. Title number(s)

LR2.1 Landlord's title number(s)

LR2.2 Other title numbers

[None.]

LR3. Parties to the Lease

Landlord

THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF ENFIELD of
Civic Centre, Silver Street, Enfield London EN1 3XA (**Landlord**)

Tenant

[*Details of relevant party to be inserted*] (**Tenant**) [of/Company Registration Number
[*Details to be inserted*] whose registered office is [*Details to be inserted*]]

Other parties

[*Details of relevant party to be inserted*] (**Surety**) [of/Company Registration Number
[*Details to be inserted*] whose registered office is at [*Details to be inserted*]]

LR4. Property

**In the case of a conflict between this clause and the remainder of the Lease then,
for the purposes of registration, this clause shall prevail.**

The land demised by the Lease is known as defined as the **Land** in Clause 1 and more
fully described in that definition.

LR5. Prescribed statements etc.

[None.]

**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.**

[None.]

LR5.2 The Lease is made under, or by reference to, provisions of:

[Leasehold Reform Act 1967]

[Housing Act 1985]

[Housing Act 1988]

[Housing Act 1996]

LR6. Term for which the Property is leased

The term as specified in the Lease at Clause 1.1.

LR7. Premium

[Insert amount in words] (£[Insert amount in numbers] [plus VAT of [Insert amount in words] (£[Insert amount in numbers]]

LR8. Prohibitions or restrictions on disposing of the Lease

The Lease contains a provision that prohibits or restricts dispositions.

LR9. Rights of acquisition etc.

LR9.1 Tenant's contractual rights to renew the 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 the Lease

None.

LR9.3 Landlord's contractual rights to acquire the Lease

None.

LR10. Restrictive covenants given in the Lease by the Landlord in respect of land other than the Property

None.

LR11. Easements

LR11.1 Easements granted by the Lease for the benefit of the Property

See Schedule 1 Part 1.

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

See Schedule 1 Part 2.

LR12. Estate rent charge burdening the Property

None.

LR13. Application for standard form of restriction

If more than one standard form of restriction is required, then use this clause to apply for each of them, repeating the introductory words below for each restriction.

The Parties to the Lease apply to enter the following standard form restriction against the title of the Property:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge is to be registered without a certificate signed by [*Landlord's name and address details to be inserted*] or its conveyancers that the provisions of clause 6.7 of the Lease dated [*insert date of Lease*] made between (1) [*insert Landlord name*] [and] (2) [*insert Tenant name*]) [and (3) [*insert Surety name*]] in respect of Land known as [*insert property address*] have been complied with or that they do not apply to the disposition (Form N)".

"No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a certificate signed by [*Landlord's name and address details to be inserted*] or its conveyancers that the provisions of Schedule [4] paragraph [7.1] of the Lease dated [*insert date of Lease*] made between (1) [*insert Landlord name*] and (2) [*insert Tenant name*]) [and (3) [*insert Surety name*]] in respect of Land known as [*insert property address*] have been complied with or that they do not apply to the disposition."

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

Clause LR14 may be deleted in its entirety if it is not relevant.

[The Tenant is more than one person. They are to hold the Property on trust for themselves as joint tenants.]

OR

[The Tenant is more than one person. They are to hold the Property on trust for themselves as tenants in common in equal shares.]

OR

[The Tenant is more than one person. They are to hold the Property on trust (*insert here details of the trust*).]

OR

[Not applicable.]

LEASE

Dated

Between

- (1) **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF ENFIELD** Civic Centre, Silver Street, Enfield London EN1 3XA (the **Landlord**) (referred to in Clause LR3 as the Landlord); [and]
- (2) [*Details of relevant party to be inserted*] (the **Tenant**) (referred to in Clause LR3 as the Tenant) (Company Registration Number [*Details to be inserted*]) whose registered office is at [*Details to be inserted*];and]
- (3) [*Details of relevant party to be inserted*] (the **Surety**) (referred to in Clause LR3 as the Surety) (Company Registration Number [*Details to be inserted*]) whose registered office is at [*Details to be inserted*].]

It is agreed:

1. DEFINITIONS

1.1 In the Lease the following definitions apply:

1954 Act means the Landlord and Tenant Act 1954

1995 Act means the Landlord and Tenant (Covenants) Act 1995

Adjoining Land means the land belonging to the Landlord which, together with the Development is known as [*Details to be inserted*] and is shown edged [*Details to be inserted*] on the plan annexed hereto at Annex 3 marked "Plan B".

Affordable Dwelling means [means any [Affordable Rented Units or Intermediate Units] as permitted by and described in the Planning Permission.

Agreement for Lease means the agreement dated [*Details to be inserted*] made between the Landlord (1) [and] the Tenant (2) [and the Surety (3)] under which the Lease has been granted and any document supplemental to it or entered into pursuant to its terms.

Breach Termination Notice means a written notice served by the Landlord on the Tenant (copied to the Permitted Chargee) in the circumstances set out in clause 12.1(b) referring to that clause and the initial notice of breach and stating that failure to respond within 20 Working Days could lead to the Termination of the Lease, (such notice to follow failure by the Tenant to remedy a material breach within the period stated in the initial notice of a breach, non-performance or non-observance given to it by the Landlord in accordance with clause 12.1(b))

[CLT means Community Land Trust being (as provided in Section 79 Housing Act 2008) a corporate body which:

- (a) Is established for the express purpose of furthering the social, economic and environmental interests of a local community by acquiring and managing land and other assets in order:

- (i) to provide a benefit to the local community;
 - (ii) to ensure that the assets are not sold or developed except in a manner which the member's think benefits the local community; and
- (b) Is established under arrangements which are expressly designed to ensure that:
- (i) any profits from its activities will be used to benefit the local community (otherwise than by being paid directly to members);
 - (ii) individuals who live or work in the specified area have the opportunity to become members of the trust (whether or not others can also become members);
 - (iii) the members of a trust control it

[and (where the corporate body is being established) where the articles of association or rules of the corporate body have been approved by the Landlord (such approval not to be unreasonably withheld or delayed)]]

Commencement Date means the date which is [*Insert relevant date*] months from the date of the Lease subject to the provisions of clause 10.

[Commercial Units means any building constructed or to be constructed by the Tenant in pursuance of the Agreement for Lease which is designed or intended for use exclusively for non-residential purposes together with any land forming its curtilage]

Common Areas means those highways and Common Services not intended to be adopted as maintainable at public expense.

Common Services means sewers, drains, channels, pipes, watercourses, gutters, wires, cables, pillars, turrets, amplifiers, poles, soakaways and any other apparatus for the supply, transmission or distribution of water, gas, electricity or telephone, radio or television signals or for the disposal of soil, foul water, rainwater or surface water, which are not to be adopted as maintainable at public expense.

Community Infrastructure Levy means the charge known by that name, as provided for in the Planning Act 2008 and any charge, levy, tax or imposition substituted for it and including related interest, penalties, liabilities, surcharges and costs of compliance.

Compensation Sum means the amount calculated as the Price reduced by any costs properly payable to the Landlord pursuant to clause 6.11.

Council means London Borough of Enfield.

Development means the erection and completion on the Land of all buildings, erections, structures, highways, drainage, infrastructure and other works in accordance with the Planning Permission.

Dispute means and includes any difference or dispute between the Landlord and the Tenant arising out of or in connection with the Lease or between the Landlord and the Permitted Chargee in relation to clause 13.2 which the Landlord and the Tenant (or the Permitted Chargee as the case may be) have been unable to resolve between them prior to referring the matter for resolution in accordance with the provisions of this clause 14 and shall include any question as to the validity or interpretation of the Lease and any dispute arising before or after Termination of the Lease.

Dwelling means any house, bungalow, flat, maisonette or other single unit of residential accommodation constructed on the Land together with any land forming its curtilage.

Enactment means statute, statutory instrument, statutory guidance, treaty, regulation, directive, byelaw, code of practice, guidance note, circular, common law and any notice, order, direction or requirement given or made pursuant to any of them for the time being in force.

Environment means all or any of the following media, alone or in combination: the air (including the air within buildings and the air within any other natural or man-made structures above or below ground), water (including water under or within land or in pipes or sewerage systems), soil, land and any ecological systems and living organisms supported by those media and buildings.

Environmental Law means all European Community, national and local statutes, and the common law, from time to time in force concerning:

- (a) pollution of, damage to or protection of the Environment or health and safety and/or the provision of remedies in respect of or compensation for damage or harm to the Environment or to health and safety and/or
- (b) emissions, discharges, releases or escapes into the Environment or the presence in the Environment of Hazardous Substances or the production, processing, management, treatment, storage, transport, handling or disposal of Hazardous Substances

and any bylaws, regulations or subordinate legislation, judgments, decisions, notices, orders, circulars, codes of practice and permits from time to time issued or made thereunder having force of law.

Force Majeure means any event or series of events of a similar nature to those set out below which is beyond the reasonable control of the Tenant or any person for which the Tenant is responsible including war or other hostilities, government restrictions, terrorism, sabotage, vandalism, riot or other civil commotion, political crisis, labour disputes, strikes, lockout, work stoppages or slowdowns, accidents, death of any person, flood, storm, earthquakes or other acts of God but excluding any such disputes, strikes, lockouts, stoppages or slowdowns affecting only the workforce of Tenant and its principal contractor (if any) or any person for which it is responsible and shall include delays in the commissioning of services and delays in obtaining discharge of planning conditions or obtaining any Requisite Consents (where these do not result from delays or failures to progress on the part of the Tenant and the Tenant can demonstrate that it has used all reasonable endeavours to obtain them)

Full Occupancy Date means the first date upon which all Dwellings upon the Land are occupied for residential purposes [and all Commercial Units (if any)] are occupied for commercial purposes or non-residential purposes.

Group means in relation to an undertaking, that undertaking, any subsidiary undertaking or parent undertaking of that undertaking, any other subsidiary undertaking of any parent undertaking of that undertaking (as each such term is defined in section 1161 or section 1162 (as applicable) of the Companies Act 2006)

Hazardous Substances means any wastes, pollutants, contaminants and any other natural or artificial substance, including, for the avoidance of doubt, radioactive material

(in each case whether in the form of a solid, liquid, gas or vapour, and whether alone or in combination) which is capable of causing harm or damage to the Environment or to the health and safety of persons.

Implementation means the carrying out of a material operation (as defined in section 56 of the Town and Country Planning Act 1990) to implement the Planning Permission but disregarding any of the following operations which may be carried out on the Land:

- (a) demolition works;
- (b) site clearance;
- (c) ground investigations;
- (d) site survey works;
- (e) temporary access construction works;
- (f) archaeological investigation; and
- (g) erection of any fences and hoardings.

Insolvency Event means that the Tenant [or Surety]:

- (a) is the subject of an interim order under the Insolvency Act 1986;
- (b) has made any arrangement or composition for the benefit of its creditors which has not been discharged;
- (c) goes into liquidation whether voluntary or compulsory (save for the purpose of reconstruction or amalgamation without insolvency);
- (d) is, or is deemed for the purposes of section 123 of the Insolvency Act 1986 to be, unable to pay its debts as they fall due or admits inability to pay its debts as they fall due;
- (e) suffers the enforcement of any security over any of its material assets;
- (f) is otherwise dissolved, wound up, or ceases to exist;
- (h) has an administrator or a receiver or an administrative receiver appointed in respect of the whole or any part of its undertaking or assets; or
- (i) is the subject of an analogous procedure or step in any other jurisdiction,

provided that an Insolvency Event shall not have occurred solely by reason of the delivery of a petition for winding up a company where such petition is withdrawn within 10 Working Days.

Insolvency Termination Notice means a written notice served by the Landlord on the Tenant (copied to the Permitted Chargee) referring to the provisions of clause 12.1 and the relevant Insolvency Event and stating that Termination of the Lease has been triggered.

Insured Risks: fire, explosion, lightning, earthquake, tempest, storm, flood, bursting and overflowing of water tanks, apparatus or pipes, damage to underground water, oil

or gas pipes or electricity wires or cables, impact by aircraft and aerial devices and articles dropped from them, impact by vehicles, terrorism, subsidence, ground slip, heave, riot, civil commotion, strikes, labour or political disturbances, malicious damage, and any other risks against which the Tenant reasonably decides to insure against from time to time and **Insured Risk** means any one of the Insured Risks.

Interest means interest at the rate of four per cent per annum above the base lending rate from time to time of HSBC Bank PLC (or of such other UK clearing bank as the Landlord may designate from time to time by giving notice to the Tenant) both before and after any judgment, calculated on a daily basis from the date on which the payment is due under the Lease to the date on which such payment is made.

Land means all that land situate at [*Insert details*] comprising the area which is edged red on the plan annexed hereto at Annex 1 plan marked "Plan A" and comprised within part of title number(s) [*insert relevant details*] (and references to "Land" shall include any part or parts of it).

Landlord includes the person who is from time to time entitled to the reversion immediately expectant on the determination of the Lease.

Landlord's Percentage means 50%.

Lease means the Lease and any document supplemental to it or entered into pursuant to its terms.

Local Planning Authority means the Council or such other authority, as shall from time to time have authority to deal with town and country planning matters.

Management Company means any organisation from time to time nominated by the Tenant to manage the Land.

Overage Provisions means the provisions related to overage payments set out in Schedule 4.

Party means a party to the Lease and **Parties** means more than one Party.

Permitted Chargee means any mortgagee of the Lease and/or holder of a floating charge over all or substantially all of the Tenant's business and assets and of whom the Landlord has written notice before the date on which the events giving rise to the right of re-entry occurred

Permitted Disposal means the disposal by way of transfer, lease, easement, wayleave or otherwise of:-

- (a) any parts of the Land for services including (without prejudice to the generality) gas governor sites, electricity substation sites, energy centres and energy substations and associated infrastructure, sewerage pumping stations and balancing pond sites ancillary to the development of the Land or any part thereof
- (b) Highways in accordance with the requirements of the Local Planning Authority;
- (c) any parts of the Land pursuant to the requirements of any Planning Agreement or any requirements of the Local Planning Authority or other statutory body pursuant to any planning obligation;

Permitted Part means an individual Dwelling [or Commercial Unit (if any)];

Permitted Use means the construction of the Development and thereafter the use and occupation of the Land for residential purposes [and commercial/ non-residential purposes (if any)] in accordance with the Planning Permission and comprising [*insert full details of the permitted development from the Planning Permission including where relevant numbers and types of Affordable Dwellings referring specifically to the numbers of each Unit Type (as defined in Schedule 4 – namely Affordable Rented Units (Including London Affordable Rent) and Intermediate Units (including the definitions of London Living Rent and London Shared Ownership)] [where the Tenant is a CLT include in addition the wording "and the Land shall not be used except as part of the assets of a CLT"*]

Planning Acts means all Enactments relating to town and country planning.

Planning Agreement means any agreement and/or undertaking required by the Local Planning Authority to be entered into as a condition of the grant or implementation of any planning consent, including any agreement pursuant to any one or more of Section 38 or Section 278 of the Highways Act 1980, Section 33 of the Local Government (Miscellaneous Provisions) Act 1982, Section 111 of the Local Government Act 1972, Section 106 of the Act (as amended by the Planning and Compensation Act 1991) or Section 104 of the Water Industry Act 1991 or any agreement with a water or sewerage undertaker or other appropriate authority as to water supply or to drainage or surface water and/or effluent from the Land or any provision of similar intent and any variation, amendment or modification thereof.

Planning Permission means the planning permission dated [*Insert relevant date*] issued by [*Insert relevant details*] under reference [] annexed hereto at Annex 2

Price means [*Insert details of amount in words*] (£[*Insert details of amount in numbers*])

Prohibited Person means an individual or entity:

- (a) which is a company incorporated in or an individual resident in a country outside the United Kingdom unless it agrees to be bound by the jurisdiction of the English Courts and in respect of which a legal opinion from a reputable independent law firm in the relevant jurisdiction is provided in a form reasonably satisfactory to the Landlord (acting reasonably) relating to:
 - (i) the authority and capacity of the company or individual to act as the assignee, guarantor or funder (as applicable); and
 - (ii) the enforceability of the obligations of the company or individual as assignee, guarantor or funder (as applicable);
- (b) which enjoys sovereign or state immunity, unless it is a department, body or agency of the United Kingdom Government;
- (c) which uses funds that are derived from illegal or illegitimate activities;
- (d) which has been convicted of criminal activities, or is or has been involved in organised crime;

- (e) which is named on the consolidated list of terrorists maintained by the Bank of England pursuant to any authorising statute, regulations or guideline;
- (f) which is, or professes to be, resident in a nation state which at the relevant time is not recognised by the Government of the United Kingdom;
- (g) which is otherwise prohibited from entering into the proposed transaction pursuant to any applicable law or requirements of any country or governmental authority (including any exchange control regulations applicable thereto);
- (h) with whom the Landlord or any member of its Group may not lawfully contract, or with whom the established policy of the UK Government is that they should not contract;
- (i) whose activities would prevent the discharge by the Landlord or any member of its Group of its or their statutory duties or other legal functions;
- (j) which has a substantial direct interest(s) in gambling, gaming, pornography, the production or sale of alcoholic drinks, the production or sale of products containing or derived from tobacco or the manufacture or sale of arms and weapons (provided that any organisation that is engaged in legitimate investment and lending to any such business shall not constitute a Prohibited Person); or
- (k) whose activities could pose a threat to national security.

Reinstatement Cost: the full cost of reinstatement of the Land taking into account inflation of building costs and including any costs of demolition, site clearance, site protection, shoring up, professionals' and statutory fees and incidental expenses and any other work to the Land that may be required by law and any VAT on all such costs, fees and expenses.

Requisite Consents: means all or any consents orders approvals licences and permissions on terms, and subject to conditions and limitations, acceptable to the Tenant (acting reasonably) required pursuant to the following (as applicable):

- (a) any Acts of Parliament and any statutory instruments, rules, orders, regulations, notices, directions, bye-laws and permissions for the time being made under or deriving validity from any Act of Parliament;
- (b) any European directive or regulations and rules having the force of the law in the United Kingdom; and
- (c) any Planning Acts, regulations (Including planning regulations, works, bye-laws or codes of practice of any local or statutory authority having jurisdiction over the Land and/or the Development,

which are required for the commencement, carrying out and use of the Development

Regulations means the Construction (Design and Management) Regulations 2015

Senior Representative means any director or senior executive officer of the Landlord or the Tenant (or the Permitted Chargee as the case may be).

[Site Specific Obligations means those matters set out in part 3 of Schedule 1.]

Substantially Commence means-:

- (a) that all Requisite Consents have been obtained;
- (b) all pre-commencement planning conditions of the Planning Permission have been satisfied;
- (c) initial registration certificates from NHBC or Zurich in respect of the Dwellings comprised within the Development have been obtained;
- (d) construction of the Development has commenced and Implementation has taken place.

Substantially Commenced Notice means a notice served by the Tenant pursuant to and in accordance with clause 11.4, which is accompanied by copies evidencing that all Requisite Consents have been obtained, all pre-commencement planning conditions of the Planning Permission have been satisfied and that an initial registration certificate from NHBC or Zurich has been obtained.

Suitable Substitute means a person, firm or company, approved by the Landlord (such approval not to be unreasonably withheld or delayed) with the technical ability, commercial expertise and adequate financial facilities to complete the Development on the terms contemplated by the Lease.

[Surety means any person who, for the time being, guarantees performance of the Tenant's Covenants that person currently being the person specified as the Surety in Land Registry Prescribed clause LR 3].

Tenant includes every person who is a successor in title under the Lease.

Tenant's Covenants means the covenants, terms, conditions, agreements, restrictions, stipulations and obligations falling to be complied with by the Tenant under the Lease.

Term means 250 years from the date of this Lease.

Terminate the Lease means the exercise by the Landlord of the right identified in clauses 11.1 and 12.1, and "Termination of the Lease" shall be construed accordingly

Title Matters means the matters contained or referred to in (or in the documents contained or referred to in) the entries on the register of the title(s) under which the Landlord holds the Land.

VAT means value added tax charged under the Value Added Tax Act 1994 and shall include any interest, fine, penalty or surcharge in respect of value added tax charged.

Working Day means any day except Saturday, Sunday or any public holiday in England.

2. INTERPRETATION

- 2.1 Where a Party includes two or more persons, the covenants made by that Party are made by those persons jointly and severally.

- 2.2 Words implying one gender include all other genders; words implying the singular include the plural and vice versa and words implying persons include any person or entity capable of being a legal person.
- 2.3 A covenant by the Tenant not to do any act or thing includes a covenant not to permit or suffer such act or thing to be done.
- 2.4 A reference to any Enactment includes all modifications, extensions, amendments and re-enactments of such statute in force for the time being and all instruments, orders, notices, regulations, directions, bye-laws, permissions and plans for the time being made, issued or given under them or deriving validity from them.
- 2.5 Provisions are to be construed independently and, if any provision is void or wholly or partly unenforceable, then that provision, to the extent that it is unenforceable, shall be deemed not to form part of the Lease, but the validity and enforceability of the remainder of that provision or of the Lease shall not be affected.
- 2.6 A reference to a numbered clause, schedule or paragraph is a reference to the relevant clause, schedule or paragraph in the Lease.
- 2.7 Headings to clauses, schedules and paragraphs are for convenience only and do not affect the meaning of the Lease.
- 2.8 The words “including” and “in particular” shall be construed as being by way of illustration or emphasis only and shall not limit the generality of the preceding words.
- 2.9 References to the completion of a transfer or other disposal mean the execution and delivery of the necessary documents, not their subsequent registration.
- 2.10 Any right or exception granted or excepted in favour of the Landlord shall be deemed to be granted or excepted in addition in favour of any other person authorised by the Landlord.
- 2.11 Where the consent or approval of the Landlord is required such consent or approval must be in writing and be signed by the appropriate officer who has been notified in writing by the Landlord to the Tenant as being the appropriate officer for such purposes).

3. DEMISE AND PRICE

- 3.1 In consideration of the Price payable by the Tenant to the Landlord (receipt whereof is hereby acknowledged) and any other sums payable under the Lease and the Tenant's Covenants the Landlord HEREBY DEMISES to the Tenant with full title guarantee the Land

TOGETHER with the benefit of the rights set out in Part I of Schedule 1 (so far as the Landlord can grant the same) and in common with the Landlord and all others now or hereafter enjoying or entitled to the like rights but

EXCEPT AND RESERVING to the Landlord (and those authorised by the Landlord) and its successors in title for the benefit of the Adjoining Land and the owners and occupiers thereof the rights, easements and privileges set out in Part 2 of Schedule 1

TO HOLD the same unto the Tenant for the Term

SUBJECT to all Title Matters and to all rights, easements, quasi-easements and privileges affecting the Land or any part thereof PAYING THEREFOR the yearly rent of ONE POUND (if demanded) on the anniversary of the date of the Lease.

4. TRANSFER ETC OF COMMON SERVICES AND HIGHWAYS

The Tenant and Landlord agree to enter into, at any time at the Tenant's request, any leases, transfers, easements, licences, agreements or other document with any public or statutory authority in connection with any Common Services or highways or matters ancillary thereto in such form as the Landlord shall approve (acting reasonably) (including any surrender of the Tenant's interest in any land the subject of those documents).

5. GENERAL PROVISIONS RELATING TO TRANSFERS

Notwithstanding the completion of any transfer under the Lease, the provisions of the Lease shall remain in force in respect of anything remaining to be done by the Tenant or the Landlord. In particular, such completion is not to be treated as an acknowledgment by the Landlord that all money due from the Tenant to the Landlord in respect of the transfer has been paid or that the Tenant has complied with any other obligations on its part.

6. TENANT'S COVENANTS

The Tenant further covenants with the Landlord as follows:

Rent

- 6.1 To pay (if demanded) the reserved rent on the days and in the manner as set out in clause 3.1.

Interest

- 6.2 To pay Interest on any sum of money payable to the Landlord by the Tenant under the Lease which is not paid when payment is due.

Outgoings

- 6.3 To pay all rates, taxes, levies, costs, charges, impositions, claims, assessments, insurance and outgoings whatsoever assessed on, or attributable to the Land its use and occupation (except in relation to any Dwelling [or Commercial Unit (if any)] which has lawfully been disposed of to a buyer/tenant) and any land which is the subject of a transfer in accordance with clauses 4 and 5) now or hereafter imposed or charged upon the owner or occupier and to pay all charges for utilities consumed on the Land.

Indemnity

- 6.4 To indemnify and keep indemnified the Landlord from and against all consequences of claims, demands and liabilities howsoever arising from the use or occupation of the Land or its state of repair and condition or any breach by the Tenant of the Tenant's Covenants or the Title Matters or in respect of the design of the Development or any part thereof and the materials and workmanship used by the Tenant in the Development or any part thereof and any inaccuracies in the plan or other description of any Dwelling [or Commercial Unit (if any)] used in any disposal document.

Use

6.5 Not to use the Land or exercise any right granted by the Lease other than for the Permitted Use

but Provided Further that any Permitted Chargee shall prior to seeking to dispose of any part of the Land pursuant to any default under the terms of its mortgage or charge shall give not less than [six] months' prior notice to the Landlord of its intention to dispose and:

- (a) if the Landlord responds within [three] months from receipt of the notice indicating that arrangements for the disposal of the Land can be made in such a way as to safeguard it as Affordable Dwellings [*and as part of the assets of a CLT*] then the Permitted Chargee shall co-operate with such arrangements and use reasonable endeavours to achieve this;
- (b) if the Landlord does not serve its response to the notice served under clause 6.5 (a) within the [three] months then the Permitted Chargee shall be entitled to dispose of the Land pursuant to its or their power of sale or other remedies under the mortgage or charge in question on the open market and from the date of actual completion of any such sale the designation of the Land or any part of it for use as Affordable Dwellings [*and as part of the assets of a CLT*] shall no longer apply and the whole of the Land may be used as private residential Dwellings;
- (c) if the Landlord or any other person cannot within [six] months of the date of service of its response under clause 6.5 (a) secure such a disposal then provided that the Permitted Chargee shall have complied with its obligations under clause 6.5 (a) the Permitted Chargee shall be entitled to dispose of the Land pursuant to its or their power of sale or other remedies under the mortgage or charge in question on the open market and from the date of actual completion of any such sale the designation of the Land or any part of it for use as Affordable Dwellings [*and as part of the assets of a CLT*] shall no longer apply and the whole of the Land may be used as private residential Dwellings and the definition of Permitted Use will thereafter be deemed to have been modified to allow for such use

PROVIDED THAT at all times the rights and obligations in this clause 6.5 shall not require the Permitted Chargee to act contrary to its duties under the charge or mortgage and that the Landlord must give full consideration to protecting the interest of the Permitted Chargee in respect of moneys outstanding under the charge or mortgage.

Alienation

6.6 Not to assign, transfer charge, share or part with possession of or grant any licence or interest in respect of the whole or any part of the Land to a Prohibited Person.

6.7 Not to assign, underlet, transfer, charge, mortgage, hold on trust, share or part with possession of or grant any licence or interest in respect of the whole or any part of the Land or agree to do so provided that the Tenant may:

- (a) prior to the Full Occupancy Date charge the Lease to a person, firm or company providing the finance for the acquisition of the Land and the construction of the Development;
 - (b) prior to the Full Occupancy Date assign the Lease or underlet the whole (other than a Permitted Part) of the Land with the consent of the Landlord which shall not be unreasonably withheld or delayed provided that the Tenant complies with the following obligations:
 - (i) paying to the Landlord upon the date of completion of any such assignment or under-letting any sums that have fallen due under the Overage Provisions in Schedule 4.
 - (ii) delivering to the Landlord unconditionally a deed of covenant from the under-tenant or assignee to comply with the provisions of this clause 6.7(b); and
 - (iii) pays the proper and reasonable costs and expenses of the Landlord (including without limitation the reasonable costs and expenses of the Landlord's solicitors) in respect of the preparation and approval of the deed of covenant together with any VAT on those costs and expenses which the Landlord is unable to recover; and
 - (iv) makes an application to the Land Registry on form RX1 together with the requisite fee for a restriction to be entered onto the proprietorship register of the title number of the Land (or part of it, as applicable) allocated to it by the Land Registry in the form of the restriction set out in LR13 of the Lease;
 - (c) underlet any part of the Land in Permitted Parts upon leases of not more than 250 years less 3 days from the date of this Lease (with the term ending on the same date) in a form appropriate to residential Dwellings [or upon leases of appropriate commercial terms acceptable to a willing lessor and a willing lessee in the open market for Commercial Units (if any)];
 - (d) make a Permitted Disposal; and
 - (e) after the Full Occupancy Date assign underlet or charge the whole of the Land without Landlord's consent being required.
- 6.8 In the case of a disposal in accordance with clause 6.7 of a Permitted Part or a Permitted Disposal the Landlord shall within 20 Working Days of receipt of a written request from the Tenant, provide to the Tenant the necessary release documentation in respect of the restriction entered against the title to the Land in respect of clause 6.7 provided that the Tenant shall be responsible for paying the Landlord's costs in so doing.
- 6.9 Once all payments due to the Landlord have been paid under the Overage Provisions in Schedule 4, the Landlord shall within 20 Working Days of a written request from the Tenant, provide to the Tenant the necessary release documentation for the withdrawal of the relevant restriction entered against the title to the Land in respect of clause 6.7 provided that the Tenant shall be responsible for paying the Landlord's costs in so doing.

- 6.10 Within 10 Working Days after the date of every dealing charge or other devolution of the Lease to give notice thereof in writing to the Landlord and produce to it a certified copy of the instrument effecting the devolution and pay the Landlord's reasonable registration fee (being not less than £75.00 plus VAT) (and in the case of a Permitted Chargee, such notice shall contain an address for service within England and Wales for the chargee).
- 6.11 To pay all proper costs and expenses (including solicitors' costs and surveyor's fees) incurred by the Landlord of and incidental to and in connection with:
- (a) the preparation and service of any notice under Section 146 of the Law of Property Act 1925 and any proceedings under Sections 146 or 147 of that Act even if forfeiture is avoided otherwise than by relief granted by the Court;
 - (b) taking action to forfeit the Lease, or terminate the Lease pursuant to clause 11 whether or not it is forfeited or terminated including cancellation of the Lease at the Land Registry; and
 - (c) any notices or consents required or given under the Lease even if the application is withdrawn or properly refused or if the proposal requiring consent does not proceed.

Communications

- 6.12 On the receipt of any notice, order, direction or thing from any competent authority affecting or likely to affect the Land 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:
- (a) so far as such notice, order, direction or other thing or the Enactment regulations or other instrument under or by virtue of which it is issued or the provisions of the Lease require it so to do comply therewith at its own expense; and
 - (b) promptly deliver to the Landlord a copy of such notice, order, direction or other thing.

Repair

- 6.13 Subject to clause 6.14, throughout the Term to keep the Land and all the buildings or Dwellings [and Commercial Units (if any)] from time to time erected upon the Land (or relevant parts) well and substantially repaired and maintained in a structurally sound and safe condition.
- 6.14 Until the date upon which it has been certified that the Development has achieved practical completion pursuant to the Tenant's building contract for the works comprising the Development, to keep the part or parts of the Land subject to the Development in a safe and secure condition and all boundaries of the Land secure.
- 6.15 To permit the Landlord and its employees or agents at all reasonable and proper times to enter into, inspect and view the Land and any buildings and examine their condition Provided That (save in the case of an emergency), the Landlord shall not be entitled to so enter, inspect, view or examine any Dwelling [or Commercial Unit (if any)] on the Land following the grant of any under-lease of a Permitted Part in accordance with clause 6.7(c).
- 6.16 To remedy any breach of the Tenant's Covenants, immediately after notice of the breach is given to the Tenant and to pay as a debt, recoverable as if it were rent in

arrears, all costs and expenses properly incurred by or on behalf of the Landlord in remedying any breach of the Tenant's Covenants.

Yield-up

- 6.17 At the end or sooner determination of the Term quietly to yield up the Land to the Landlord in accordance with the Tenant's Covenants.
- 6.18 On Termination of the Lease if and to the extent required by the Landlord in writing following Termination of the Lease, the Tenant shall as quickly as reasonably practicable at the Landlord's request and in a good and workmanlike manner reinstate the works comprising the Development which has been carried out and clear the Land to the Landlord's reasonable satisfaction.

Other Tenant Covenants

- 6.19 Not to use the Land for any illegal or immoral purposes and not to do anything on the Land which may be or become a nuisance or annoyance or cause damage or inconvenience to the Landlord or to the owners or occupiers of any adjoining or neighbouring land or cause or give rise to the significant possibility of significant harm to the health of living organisms and other interference with the ecological systems of which they form part or cause pollution of ground or surface water.
- 6.20 Not to commence any works forming part of the Development until the Tenant has obtained all permissions and consents required by all Planning Acts and any other Enactments in relation to the Development and to observe perform and comply with all obligations imposed on it by the Planning Permission, Requisite Consents and any Planning Acts or any Enactments.
- 6.21 To comply with all Planning Agreements affecting the Development including the payment of all sums payable thereunder and the discharge of all obligations thereunder and shall indemnify and keep indemnified the Landlord against all actions proceedings claims demands losses costs expenses damages and liabilities arising directly or indirectly from any breach of any Planning Agreements.
- 6.22 The Tenant must do all acts and things required by, and comply and conform in all respects with, the provisions of any Enactments applicable to the use and occupation of the Land (which for the avoidance of doubt shall include the provisions of Section 57 of and Schedule 22 to the Environment Act 1995 and the Regulations) and in particular:
- (a) to be treated as the only client for the purposes of the Regulations;
 - (b) to comply with the lawful requirements of any statutory undertakers in respect of electricity, gas, water, telephone or other public services;
 - (c) to comply with the conditions imposed by any agreements, licences, permissions and approvals for development or use granted in relation to the Land and the Development; and
 - (d) arising from any Planning Permission, Requisite Consents, Planning Acts or Enactments (including but not limited to payment of any Community Infrastructure Levy).
- 6.23 The Tenant must not do or omit to be done anything which may result in the Landlord incurring or becoming liable to pay any penalty, damage, compensation, costs, charges or expenses.

Insurance

- 6.24 To effect and maintain insurance of the Land (with reputable insurers) 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 full Reinstatement Cost subject to:
- 6.24.1 any reasonable exclusions, limitations, conditions or excesses that may be imposed by the insurer; and
 - 6.24.2 insurance being available on reasonable terms in the London insurance market.
- 6.25 In relation to any insurance effected by the Tenant under this paragraph:
- 6.25.1 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
 - (ii) a copy of the receipt for the current year's premium.
 - 6.25.2 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;
 - 6.25.3 if requested by the Landlord in writing to use reasonable endeavours to procure that the interest of any Landlord's mortgagee is noted on the insurance policy, either by way of a general noting of mortgagees' interests under the conditions of the insurance policy or specifically.
- 6.26 To inform the Landlord and inform the insurer of the Land immediately that it becomes aware of:
- 6.26.1 any matter which occurs in relation to the Tenant or the Land that any insurer or underwriter may treat as material in deciding whether or on what terms, to insure or continue insuring the Land;
 - 6.26.2 any damage or loss that relates to the Land; and
 - 6.26.3 any other event occurs which might affect any insurance policy relating to the Land.

Rebuild following damage or destruction

- 6.27 If the Land or any part of it is damaged or destroyed by an Insured Risk, the Tenant shall:
- 6.27.1 promptly notify the Landlord and make a claim under the insurance policy for the Land;
 - 6.27.2 notify the Landlord immediately if the insurer indicates that the Reinstatement Cost will not be recoverable in full under the insurance policy;

6.27.3 promptly take such steps as may be necessary and proper to obtain all planning and other consents that are required to repair (or as the case may be) rebuild or reinstate the Land;

6.28 Subject to obtaining such consents as required under clause 6.27.3 the Tenant shall:

- (a) use all insurance money received (and any money received from the Landlord under clause 8.5) to repair the damage in respect of which the money was received or (as the case may be) to rebuild or reinstate the Land 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 clause 8.5).
- (b) reinstate or rebuild the Land in a manner equivalent in size, quality, layout and facilities to the Land before the damage. If the relevant consents cannot be obtained then to reinstate or rebuild the Land in a manner and with facilities that are reasonably equivalent to those previously at the Land 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 Land, such consent not to be unreasonably withheld or delayed.
 - (ii) the Land shall be rebuilt or reinstated to the satisfaction of the Landlord.

6.29 **Competent Authorities**

- (a) In this clause "**Competent Authority**" means any government body, the Environment Landlord, court, tribunal or other body deriving power under Environmental Law.
- (b) The parties agree that the apportionment by a Competent Authority of any liabilities that may arise under Part IIA of the Environmental Protection Act 1990 (as amended) ("**Part IIA**") in respect of pollution or contamination present in on or under or originating from the Land shall be undertaken on the basis that the Tenant shall have full responsibility for any and all such liabilities and the commercial terms of this Lease (including without limitation the Price) have been settled on that basis.
- (c) It is hereby acknowledged and intended by the parties that clause 6.29(b) is an agreement on liabilities for the purposes of Part IIA.
- (d) The parties agree that in the event of a notification being served on any of them which indicates that the Land is or is likely to be determined 'contaminated land' under Part IIA to notify the other as soon as is reasonably practicable.
- (e) The parties undertake to furnish the Competent Authority with a copy of the Lease as soon as is reasonably practicable after receiving a note from the Competent Authority or a notification under clause 6.29(d) and individually to agree to the application of clause 6.29(b) and to confirm such individual agreement in writing to the Competent Authority following receipt of such notice or notification.
- (f) The parties hereby undertake to use all reasonable endeavours to ensure that the Competent Authority applies the agreement on liabilities set out in clause 6.30(b).

- (g) For the avoidance of doubt the Landlord shall retain the right to appeal against a decision of a Competent Authority in accordance with Part IIA's appeal procedure.

6.30 The Tenant hereby undertakes to indemnify the Landlord and keep the Landlord indemnified in respect of all and any fines, penalties, charges, actions, losses, costs, claims, expenses, demands, duties, obligations, damages and other liabilities that the Landlord may suffer:

- (a) as a result of any failure of the Tenant to adhere to the provisions of clause 6.29; or
- (b) arising from any pollution or contamination present in or under or originating from the Land; or
- (c) arising from any Planning Permission, Requisite Consents, Planning Acts or Enactments (including but not limited to Community Infrastructure Levy).

6.31 To comply with all obligations affecting the Land and not to interfere with any rights which benefit them, including all Title Matters [and any Site Specific Obligations].

Alterations

6.32 Not to carry out without the Landlord's consent (not to be unreasonably withheld):

- (a) any development other than the Development permitted by the Planning Permission;
- (b) any work which adversely affects any load bearing part of the Land or any energy or water performance efficiency.

7. LANDLORD'S COVENANTS

7.1 The Landlord covenants with the Tenant as follows:

- (a) That the Tenant observing and performing the several covenants and stipulations on the part of the Tenant in the Lease shall peacefully hold and enjoy the Land during the Term without any interruption by the Landlord or any person rightfully claiming under or in trust for it.
- (b) If requested by the Tenant and at the Tenant's expense (and provided that the Tenant has provided any bond or guarantee required by the relevant authority), the Landlord will enter into any Planning Agreements or any agreements (excluding any guarantee or bond) as landowner in so far as it is necessary to dedicate the land, sewer or other matter the subject of the agreement on terms approved by the Landlord (acting reasonably) and subject to the Tenant entering into an indemnity (in a form required by the Landlord) indemnifying the Landlord against all liability for all costs, obligations and liabilities in connection or arising therefrom.
- (d) If requested by the Tenant the Landlord as landowner (and in accordance with clause 4) will enter into any transfers, leases, easements, licences or other agreements with any public authority in connection with any adoptable common services or any service media and any ancillary apparatus pursuant to clause 4 on terms approved by the Landlord subject to the Tenant entering into an indemnity (in a form required by the Landlord) indemnifying the Landlord against

all liability for all costs, obligations and liabilities in connection or arising therefrom.

8. **INSURANCE**

- 8.1 To immediately inform the Tenant and immediately inform the insurer of the Land of any matter that occurs in relation to the Landlord that any insurer or underwriter may treat as material in deciding whether, or on what terms, to insure or continue insuring the Land and if the Tenant reasonably so requests, to give the Tenant notice of that matter or such other confirmation as the Tenant reasonably requires.
- 8.2 Not to insure the Land 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.
- 8.3 Not to do or omit to do anything as a result of which any policy of insurance of the Land may become void or voidable or otherwise prejudiced or which may cause an increased premium to be payable in respect of it (unless the Landlord has previously notified the Tenant and has paid any increased premium).
- 8.4 To comply with the requirements and recommendations of the insurers relating to the Land of which the Landlord has received details in writing.
- 8.5 In respect of the insurance effected under clause 6.24 to pay to the Tenant on demand:
- (a) an amount equal to any insurance money that the insurers refuse to pay by reason of any act or omission of the Landlord or its workers, contractors or agents or any person at the Land with the express or implied authority of any of them
 - (b) any insurance monies received by the Landlord from the insurers to enable the Tenant to comply with its reinstatement obligations under this Lease.

9. **DESTRUCTION OF LAND**

- 9.1 If, following damage or destruction caused by any of the Insured Risks, the repair, rebuilding or reinstatement of the Land shall be impossible due to the inability to obtain the necessary planning or other consents:
- (a) the Tenant's obligation to reinstate the Land contained in clauses 6.27 to 6.28 inclusive, or otherwise shall no longer apply;
 - (b) the Tenant shall hold all proceeds of any insurance in respect of the Land on trust for itself and the Landlord in proportion to their respective interests in the Land 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 9.2; and
 - (c) 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 9.2, whichever is the later.

9.2 Any dispute arising regarding this clause 9 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.

10. COMMENCEMENT DATE EXTENSION

10.1 If the Tenant is materially delayed in commencing or proceeding with the Development solely by reason of Force Majeure then the Landlord shall allow such further time for the completion of the Development as is reasonable in all the circumstances [(being not more than 12 months)] as may be agreed by the parties (both acting reasonably) and the Commencement Date shall be extended accordingly.

10.2 Any extension of time for completion of the Development in accordance with clause 10.1:

- (a) shall not have effect unless confirmed by the entry by the parties into a deed of variation to amend the Lease to reflect the extended Commencement Date at the expense of the Tenant.

11. COMMENCEMENT PERIOD TERMINATION

11.1 If the Tenant shall fail to Substantially Commence the Development by the Commencement Date then the Landlord may serve a written notice on the Tenant (copied to the Permitted Chargee (if any)) referring to this clause and stating that Termination of the Lease has been triggered ("**Commencement Date Termination Notice**"). Following the service of any Commencement Date Termination Notice under this clause, the provisions of clause 13 shall govern the respective rights of the Landlord, the Tenant and the Permitted Chargee.

11.2 Where the Lease is terminated following service of a Commencement Date Termination Notice the provisions of clause 12.4 shall apply.

11.3 Where the Lease is determined pursuant to clause 11.1, the Landlord shall pay the Tenant the Compensation Sum 10 Working Days after the date upon which the amount of the Compensation Sum has been agreed or determined or (if later) the date upon which the provisions of clause 13 have been complied with.

11.4 On or after the Development having Substantially Commenced (but prior to termination of the lease), the Tenant shall be entitled to serve a Substantial Commencement Notice on the Landlord confirming that Implementation has taken place and on service of such notice, the provisions of clauses 10 and 11 shall be deemed to be of no further effect.

12. FORFEITURE

12.1 Without prejudice to any other remedies and powers contained in the Lease or otherwise available to the Landlord if:

- (a) an Insolvency Event shall occur at any time prior to the first occupation of the first Dwelling [or Commercial Units (if any)] constructed on the Land to be occupied then and in any such case the Landlord may notwithstanding the waiver of any previous right of re-entry serve an Insolvency Termination Notice; or

- (b) there shall be a material breach, non performance or non-observance by the Tenant of any of the Tenant's Covenants and the Tenant has failed to remedy the breach within a reasonable period commensurate with the breach which shall be specified in a written notice given by the Landlord to the Tenant (which shall also specify the breach, non performance or non-observance) then and in any such case the Landlord may serve a Breach Termination Notice.

12.2 Following the service of any Insolvency Termination Notice or Breach Termination Notice in accordance with clause 12.1, the provisions of clause 13 shall govern the respective rights of the Landlord, the Tenant and the Permitted Chargee.

Termination of the Lease

12.3 The Landlord may not:

- (a) re-enter and take possession of the Land; or
- (b) forfeit the Lease;

unless it has first served on the Tenant (copied to the Permitted Chargee) a Commencement Period Termination Notice in accordance with clause 11.1, a Insolvency Termination Notice in accordance with clause 12.1(a), or a Breach Termination Notice in accordance with Clause 12.1(b) or and complied with the provisions of clause 13.

12.4 In the event of Termination of the Lease:

- (a) to the extent that the beneficial ownership of copyright, design right and any other intellectual property right in any documents, reports, investigations and designs submitted and approved as part of the Planning Permission is vested in it, the Tenant grants to the Landlord, any intellectual property and the Permitted Chargee a royalty free, non exclusive and irrevocable licence to use and reproduce any and all of such documents and the designs contained in them in connection only with its ownership of the Development, any works carried out by the Tenant and the Land and this licence shall be freely assignable to third parties and carry the right to grant sub-licences;
- (b) to the extent that the beneficial ownership of copyright, design right or any other intellectual property right in any documents referred to in clause 12.4 (a) above is vested in any person other than the Tenant the Tenant shall use its reasonable endeavours to procure that the beneficial owner grants to the Landlord non-exclusive and irrevocable licence to use and reproduce all and any of the documents and the designs contained in them, for any of the purposes and on the same terms as set out in clause 12.4 (a) above;
- (c) the Tenant shall execute such document as the Landlord shall reasonably require to cancel any entry or title at the Land Registry;
- (d) the Tenant shall deliver to the Landlord reliance letters in a form acceptable to the Landlord acting reasonably from [*insert details of specific consultants.*]

12.5 Neither the Tenant nor the Landlord may vary or supplement (or attempt to vary or supplement) the Lease without the prior written consent of the Permitted Chargee, whose consent shall not be unreasonably withheld or delayed.

13. LANDLORD'S RIGHTS OF RE-ENTRY

- 13.1 Within three months after the service of a Breach Termination Notice, Commencement Date Termination Notice or Insolvency Termination Notice the Permitted Chargee shall confirm in writing to the Landlord whether it:
- (a) proposes to complete the Development in accordance with the terms of the Lease; or
 - (b) proposes to seek a Suitable Substitute to complete the Development; or
 - (c) proposes not to complete the Development.
- 13.2 Where the Permitted Chargee informs the Landlord pursuant to clause 13.1 they propose to either seek a Suitable Substitute or to complete the Development, then, within six calendar months of service of the Breach Termination Notice, Commencement Date Termination Notice or Insolvency Termination Notice the Permitted Chargee must either:
- (a) where they have indicated an intention to seek a Suitable Substitute:
 - (i) identify that Suitable Substitute;
 - (ii) obtain the Landlord's approval to that Suitable Substitute (such approval not to be unreasonably withheld or delayed); and
 - (iii) procure that the Suitable Substitute enters into an assignment of the Lease with such extension of the Commencement Date (where the Tenant has not Substantially Commenced the Development) as is reasonable in order to permit the completion of the Development and subject to any arrangements for curing any antecedent breaches by the Tenant as the Suitable Substitute and Landlord shall agree acting reasonably (or in the absence of agreement as determined in accordance with clause 14); or
 - (b) where they have indicated an intention to complete the Development enter into an assignment of the Lease [with such extension of the Commencement Date as is reasonable in order to permit the completion of the Development and subject to any arrangements for curing any antecedent breaches by the Tenant as the Suitable Substitute and Landlord shall agree acting reasonably (or in the absence of agreement as determined in accordance with clause 14).
- 13.3 Where the Permitted Chargee has responded within the period referred to in clause 13.2 confirming it will seek either a Suitable Substitute or will complete the Development, the Landlord will not take any steps to Terminate the Lease for the reasons set out in clauses 11.1, 12.1(a) or 12.1(b) until after the expiry of the time periods permitted to allow for the assignment of the Lease set out in clause 13.2.
- 13.4 Where the Permitted Chargee does not respond within the requisite period referred to in clause 13.2 or has replied indicating it will not be taking any action the Landlord shall be entitled forthwith to Terminate the Lease.
- 13.5 If the Permitted Chargee fails to complete the assignment of the Lease directly or to a Suitable Substitute in accordance with clause 13.2 then the Landlord may, without

prejudice to any right of action or remedy which may have accrued in respect of any antecedent breach by either party of the Lease, Terminate the Lease.

- 13.6 Pending completion of any assignment and or actual Termination of the Lease pursuant to this clause 13 the Tenant shall remain liable for and shall continue to perform the provisions of the Lease unless the Landlord otherwise directs.

14. **DISPUTES**

- 14.1 Any Dispute between the Landlord or the Tenant or the Permitted Chargee arising out of or connected with any matter referred to in the Lease for which a dispute resolution procedure is expressly provided in other clauses of the Lease shall be resolved in accordance with the dispute resolution procedure so provided. Any other Disputes which may arise between the Landlord or the Tenant shall be resolved in accordance with the procedures of this clause 14.

- 14.2 Any Dispute which may arise shall first be referred to the Senior Representative of the Landlord and the Tenant or the Permitted Chargee for resolution through negotiation. Either the Landlord or the Tenant or the Permitted Chargee may at any time give 10 Working Days' notice to the other requiring that a Dispute be referred to the Senior Representatives of the Landlord and the Tenant or the Permitted Chargee. Any such notice shall contain brief particulars of the Dispute which is to be so referred. The Senior Representatives will meet within 10 Working Days of the expiry of the notice, or within such shorter or longer period as may be agreed between the Landlord and the Tenant or the Permitted Chargee and shall at their meeting negotiate in good faith in an attempt to resolve the Dispute. The Landlord and the Tenant or the Permitted Chargee shall bear their own costs of referring a Dispute to Senior Representatives for resolution through negotiation.

- 14.3 If a Dispute is not resolved by Senior Representative, or if a Dispute has not been resolved within 20 Working Days after service of notice requiring that a Dispute be referred to Senior Representatives for resolution, either the Landlord or the Tenant or where relevant the Permitted Chargee shall be entitled to implement the dispute resolution procedure as set out in the following sub-clauses:

- (a) Any Dispute arising between the Landlord and the Tenant over any calculation or valuation to be made under the Lease (or any other issue which is not covered by clauses 14.3(b) or 14.3(c) shall be referred to an expert to be agreed upon by the parties, or failing agreement, to an expert nominated by the President for the time being of the Royal Institution of Chartered Surveyors and the expert's determination of the calculation or valuation shall be conclusive and binding.
- (b) In so far as the provisions of the Lease require the form and contents of any document to be entered into between any of the parties hereto to be settled and the settling or conditions of such form shall not be agreed or where the Dispute concerns the construction of the Lease then the same shall be settled by counsel of at least seven years call and experienced in property matters willing to act and in default of agreement as to his appointment to be appointed by the President for the time being of the Law Society.
- (c) Any Dispute over any accounting issue shall be referred to an expert to be agreed upon by the parties or failing agreement to an expert nominated by the President for the time being of the Royal Institution of Chartered Accountants.

- (d) Any costs payable by reason of the provisions of this clause 14 shall be borne initially in equal proportions by the Landlord and the Tenant (or where relevant the Permitted Chargee) and thereafter as may be adjusted by the award or awards pursuant to the provisions thereof.

15. NOTICES ETC

- 15.1 Any notice, decision, direction, approval, authority, permission or consent to be given by the Landlord under the Lease must be in writing and shall be valid and effectual (unless express provisions be made to the contrary) if signed by the director or such other officer or agent as the Landlord may from time to time by resolution designate for the purpose.
- 15.2 Any notice, decision, direction, approval, authority, permission or consent to be given by a Party must be in writing, addressed to the relevant party at a correct address and be sufficiently served, in the case of anything to be served on the Tenant, by being left or sent by post to the Tenant at its registered office for the time being and, in the case of anything to be served on the Landlord, by being left or sent by prepaid registered post or by recorded delivery to the Landlord at Civic Centre, Silver Street, Enfield EN1 3XA, and marked for the attention of the [*insert relevant person's details*] (or such other address or reference as may be notified in writing by the Landlord to the Tenant for such purpose) [and in the case of anything to be served on the Surety, by being left or sent by post to the Surety at the address specified at the beginning of the Lease as being the address for service of the Surety (or such other address in England or Wales as the Surety may notify to the serving Party as its address for service for the purposes of the Lease)]

16. THE LANDLORD'S POWERS AND LIABILITY

- 16.1 Nothing contained or implied in the Lease or any consent or approval granted pursuant to it shall prejudice or affect the rights, powers, duties and obligations of the Landlord in the exercise or discharge of its statutory or public functions as a local authority and/or Local Planning Authority and/or highway authority where the Landlord is the Mayor and Burgesses of the London Borough of Enfield.
- 16.2 The Parties acknowledge that:
- (a) the Landlord shall not be under any liability whatsoever in respect of any defect in the design of the Development permitted by the Planning Permission or otherwise and shall not be deemed to have made any representation or warranty as to the fitness or suitability of the Land for the purposes of the Development or any other representation or warranty and the Tenant declares that:
 - (i) no oral representation has been made to the Tenant prior to the date hereof by the Landlord or its agents concerning the subject matter of the Lease which has influenced, induced or persuaded the Tenant to enter into the Lease; and
 - (ii) it has been provided with all information necessary to assess the state and condition of the Land and has been afforded full opportunity to enter the Land to conduct such surveys as it wished.

17. VAT

- 17.1 All monies payable under the terms of the Lease are paid exclusive of VAT.

17.2 In the event of VAT being chargeable on such monies the Tenant will on demand pay the same to the Landlord at the appropriate rate in exchange for a VAT invoice addressed to the Tenant.

18. **ACKNOWLEDGMENT**

18.1 The Parties to the Lease do not intend that any term of the Lease shall be enforceable solely by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person who is not a Party.

18.2 No variation of the Lease shall be made other than by deed.

19. **[SURETY COVENANTS**

The Surety covenants with the Landlord as a direct and primary obligation in the terms set out in Schedule [2.]

20. **OVERAGE**

The Tenant covenants to pay overage in accordance with the Overage Provisions of Schedule 4 and the parties agree to comply with their obligations thereunder.

21. **MISCELLANEOUS**

Law

21.1 The Lease is governed by and shall be construed in accordance with English law and subject to the exclusive jurisdiction of the English courts.

Commencement

21.2 For the avoidance of doubt the provisions of this document (other than those contained in this clause) shall not have any effect until this document has been dated.

21.3 If, before the expiry of this Lease, the Landlord grants a tenancy of the reversion immediately expectant on the determination of this Lease, whether under section 19 of the 1995 Act, or otherwise, any obligation of the Tenant to obtain the consent of the Landlord under this Lease to any dealing with it includes an obligation to obtain the consent of the lessor under such tenancy to that dealing.

Exclusion of warranty as to use

21.4 Nothing contained in the Lease or in any consent or approval given by the Landlord pursuant to the terms of the Lease shall imply or warrant that the Land may be used under the Planning Acts for the Permitted Use or for any other purpose authorised by the Landlord and the Tenant acknowledges that the Landlord has not given or made at any time any representation or warranty that any such use is or will be or will remain a lawful use under the Planning Acts.

New tenancy

21.5 The Lease granted pursuant to the Agreement for Lease creates a "new tenancy" as defined by section 28(1) of the 1995 Act.

Landlord's release on transfer of reversion

21.6 On every transfer (whether legal or equitable) of its interest in the whole of the Land, the Landlord is released from all liability for any breach of any landlord covenant of the Lease occurring after the transfer.

[Exclusion of 1954 Act

21.7 The Landlord and the Tenant agree that sections 24 to 28 (inclusive) of the 1954 Act to not apply to the Lease.

(a) Before the Tenant entered into the Lease or (if earlier) became contractually bound to do so, a notice in the form or substantially in the form set out in Schedule 1 to the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 was duly served on the Tenant.

(b) Before the Tenant entered into the Lease or (if earlier) became contractually bound to do so, either the Tenant or a person duly authorised by the Tenant to do so made a [statutory] declaration in accordance with paragraph [3] [4] of Schedule 2 to the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003.]

21.8 [The Landlord and the Surety agree that sections 24 to 28 (inclusive) of the 1954 Act to not apply to the Lease.

(a) Before the Surety entered into the Lease or (if earlier) became contractually bound to do so, a notice in the form or substantially in the form set out in Schedule 1 to the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 was duly served on the Surety.

(b) Before the Surety entered into the Lease or (if earlier) became contractually bound to do so, either the Surety or a person duly authorised by the Tenant to do so made a [statutory] declaration in accordance with paragraph [3] [4] of Schedule 2 to the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003.]

Compensation

21.9 Any statutory right of the Tenant to claim compensation from the Landlord on vacating the Land is excluded to the extent lawful.

Land Registration

21.10 The Tenant will register the grant and any transfer of the Lease or any right relating to it under the Land Registration Act 2002 and will comply with the relevant registration requirements. In doing so, the Tenant will ensure that any requisitions raised by the Land Registry are dealt with promptly and properly and the Landlord will provide such assistance as is reasonably required by the Tenant. The Tenant is to apply to the Land Registry on form RX1 together with the requisite fee for a restriction in the form of the restriction set out in LR13 of the Lease to be entered onto the proprietorship registers of each of the title number(s) to be allocated to the Lease. The Tenant will provide the Landlord's solicitors with an official copy of the relevant register showing compliance with these requirements as soon as practicable.

The Lease is executed as a deed by the parties and is delivered and takes effect on the date at the beginning of the Lease.

SCHEDULE 1 – GRANTS AND RESERVATIONS [AND SITE SPECIFIC MATTERS]

Part 1 - Rights easements and privileges granted to the Tenant

1. A right of way (until the same are adopted by the highway authority as highways maintainable at the public expense) for the Tenant at all times for all reasonable purposes over and along the carriageways and (on foot only) the footpaths on the Adjoining Land [shown coloured [**] on the annexed plan marked "Plan B" which give access to the Land from the nearest public highway] and (until adoption) over such carriageways and footpaths as are constructed on the Adjoining Land.
2. A right (until adoption) to the free passage of water and soil, gas and electricity, telephone radio or television signals through the Common Services running through, in, under or over, or attached to, the Adjoining Land PROVIDED THAT no Common Services shall be overloaded or interrupted.
3. The right to enter the Adjoining Land to inspect, make, lay, clean, reconstruct, divert, alter, maintain or connect into such Common Services until they have been adopted, such entry to be on the following terms:
 - (a) entry may take place only at times to be agreed with the Landlord;
 - (b) entry shall otherwise be subject to such conditions as the Landlord may require including the requirement that no Common Services shall be overloaded;
 - (c) entry may only be over such parts of the Adjoining Land as may be necessary in order to carry out any infrastructure works and, in any event, may not be over any part of the Adjoining Land that has been built upon or is no longer in the Landlord's possession or control.
4. A right to enter the Adjoining Land to carry out any infrastructure works, and entry to be on the following terms:
 - (a) entry may take place only at times to be agreed with the Landlord;
 - (b) entry shall otherwise be subject to such conditions as the Landlord may require;
 - (c) entry may only be over such parts of the Adjoining Land as may be necessary in order to carry out the Infrastructure Works and, in any event, may not be over any part of the Adjoining Land that has been built upon or is no longer in the Landlord's possession or control.
5. Any right of entry pursuant to paragraphs 3 and 4 shall be on the basis that the person so entering shall causing as little damage as possible and make good any damage so caused as soon as reasonably practicable and to the reasonable satisfaction of the Landlord.
6. A right of support and protection to the Land as the same is now or at anytime enjoyed from the Adjoining Land.

PROVIDED always it is hereby agreed that the Tenant shall not by implication prescription or otherwise become entitled to any right of light or air which would restrict or interfere with the free use of the Adjoining Land or any other neighbouring land which the Landlord may acquire for building or any other purposes.

Part 2 – Exceptions and reservations

1. A right of way (until adoption) at all times and for all purposes over and along all roads and footpaths either existing at the date of this Lease or constructed at any time upon the Land.
2. The right to free passage of water, soil, gas and electricity, telephone, radio or television signals through the Common Services now or at any time running through, in, under or over or attached, to the Land.
3. The right to use, install, lay, clean, enlarge, extend, connect into, repair, reconstruct, divert, remove, alter and replace Common Services now or at any time in, under, over or attached to the Land and to enter upon such part of the Land as may be necessary (but excluding any parts which have permanent structures upon them or are within building lines) for any of the foregoing the person so entering doing as little damage as possible and as soon as reasonably possible making good any damage done.
4. A right of entry on to the Land in order to carry out any works to any Adjoining Land.
5. All other rights of entry given to the Landlord referred to elsewhere in the Lease.
6. The right to enter upon all such parts of the Land as may be appropriate for any other reasonable purpose connected with the Development.
7. All rights, easements, quasi-easements and privileges granted to, or enjoyed by, any third party in respect of the construction of any infrastructure or related matters.
8. A right of support and protection to the Adjoining Land as the same is now or at any time enjoyed from the Land.
9. The The right at any time for the Landlord to build develop rebuild alter or use the whole or any part of the Adjoining Land or any building for the time being on the Adjoining Land in such manner that the Landlord may wish notwithstanding that such building development rebuilding alteration or use may interfere with or diminish the amenity of the Land or the access of light and air thereto.

[Part 3 – Site Specific Obligations]

SCHEDULE 2 – COVENANTS BY SURETY

1. INDEMNITY BY SURETY

The Tenant or the Surety shall while the Tenant remains bound by the Tenant's Covenants comply with the Tenant's Covenants and the Surety shall indemnify the Landlord against all claims, demands, losses, damages, liabilities, costs, fees and expenses sustained by the Landlord by reason of or arising out of any default by the Tenant in complying with the Tenant's Covenants.

2. SURETY JOINTLY AND SEVERALLY LIABLE WITH TENANT

The Surety shall be jointly and severally liable with the Tenant (whether before or after any disclaimer by a liquidator or trustee in bankruptcy or any forfeiture of the Lease) for the fulfilment of all the obligations of the Tenant under the Lease and agrees that the Landlord in the enforcement of its rights under the Lease may proceed against the Surety as if the Surety were named as the Tenant in the Lease.

3. WAIVER BY SURETY

The Surety waives any right to require the Landlord to proceed against the Tenant or to pursue any other remedy whatsoever which may be available to the Landlord before proceeding against the Surety.

4. NO RELEASE OF SURETY

None of the following or any combination of them shall release, discharge or lessen or affect the liability of the Surety under the Lease:

- (a) any neglect, delay or forbearance of the Landlord in endeavouring to obtain payment of any sums due under the Lease or in enforcing compliance with the Tenant's Covenants;
- (b) any refusal by the Landlord to accept any payment tendered by or on behalf of the Tenant at a time when the Landlord is entitled (or would after the service of a notice under section 146 of the Law of Property Act 1925 be entitled) to re-enter the Land;
- (c) any extension of time given by the Landlord to the Tenant;
- (d) save as provided for in the 1995 Act any variation of the terms of the Lease or the transfer of the Landlord's reversion or the assignment of the Lease;
- (e) any surrender by the Tenant of any part of the Land (in which event the liability of the Surety shall continue in respect of the part of the Land not so surrendered after making any necessary apportionments);
- (f) any other act, omission, matter or thing whereby but for this provision the Surety would be exonerated wholly or in part (other than a release under seal given by the Landlord).

5. DISCLAIMER OR FORFEITURE OF LEASE

- 5.1 If the Tenant (being an individual) becomes bankrupt or (being a company) enters into liquidation and the trustee in bankruptcy or liquidator disclaims or surrenders the Lease or the Lease is forfeited then the Surety shall (if it gives written notice to the Landlord

within 30 Working Days after such disclaimer or other event) accept from and execute and deliver to the Landlord a counterpart of a new lease of the Land (the proper and reasonable costs of which shall be borne by the Surety) and the Landlord shall grant such new lease to the Surety:

- (a) to take effect from the date of the disclaimer or other event;
- (b) for a term beginning on the date of the disclaimer and equal in length to the residue of the term granted by the Lease which would have remained had there been no disclaimer;
- (c) reserving by way of yearly rent an amount equal to the yearly rent payable immediately before the date of the disclaimer or other event such yearly rent to be payable from that date;
- (d) imposing on the Surety the same obligations as the Tenant was subject to immediately before the disclaimer or other event; and
- (e) otherwise containing the same terms and provisions as the Lease, including the provisions relating to payment of money, except that the Surety shall not be required to procure that any other person is made a party to the new lease as surety.

5.2 If the Surety does not require to take a new lease, the Surety shall nevertheless on demand pay to the Landlord a sum equal to the rents and other sums that would have been payable under the Lease but for the disclaimer or other event, from and including the date of such disclaimer or other event for a period of two years or (if sooner) until the date on which a lease or underlease of the Land to a third party is completed.

6. **SUPPLEMENTAL DOCUMENTS**

The Surety shall at the request of the Landlord join in any document made supplemental or collateral to the Lease.

7. **ADDRESS FOR SERVICE**

The Surety shall promptly notify in writing the Landlord of any change in the Surety's address for service and until such notice has been given the Surety's address for service shall be the Surety's address for service most recently notified in writing to the Landlord.

SCHEDULE 4 - OVERAGE PROVISIONS

1 Definitions

In this Schedule the following definitions apply:

[Affordable Rented Units] means any units designated as London Affordable Rent.]

[Affordable Rented Unit Adjustment Sum] means [Insert figure in words from the Tenant's bid] Pounds (£ [insert same figure in numbers]) per square foot]

[Affordable Rented Unit Base Area] [insert details from the Initial Planning Permission of the Net Internal Area of the Affordable Rented Units]

Calculation Date means, for each Further Planning Permission, the earlier of:

- (a) the date on which the Further Planning Permission becomes Finally Determined; and
- (b) the date on which the Further Planning Permission is implemented.

[Commercial Units] means any part of the Land intended exclusively for use or occupation for trade or business or other non-residential uses]

[Commercial Unit Adjustment Sum] means [Insert figure in words from the Tenant's bid] Pounds (£ [insert same figure in numbers]) per square foot]

[Commercial Unit Base Area] [insert details from the Initial Planning Permission of the Net Internal Area of the Commercial Units]

Disposal means the transfer, assent or grant of a lease of the whole or any substantial part of the Land by the Tenant or any chargee or mortgagee of the Land whether or not for valuable consideration and any comparable arrangement to the same or similar effect but excluding any Permitted Disposal or the under-lease of a Permitted Part

End Date means the date being 5 years from the Practical Completion Date.

Finally Determined means six weeks have elapsed since the date of issue of the Further Planning Permission and either:

- (a) no Proceedings have been instituted in respect of that Further Planning Permission; or
- (b) any Proceedings which may have been instituted in respect of that Further Planning Permission have been exhausted (which shall occur on the withdrawal of such Proceedings or when the time for appealing against the decision of any court has expired and no appeal has been lodged) with that Further Planning Permission being finally upheld.

Further Planning Permission means a planning permission relating to the Land (including outline planning permission and any planning permission pursuant to section 73 of the Town and Country Planning Act 1990) obtained by or for the Tenant or any of the Tenant's successors in title to the Property.

Initial Planning Permission means the planning permission for the development of the Land dated [*insert relevant date of the Planning Permission attached at Annex 2 of the Lease*] (reference: [])

[Intermediate Units means any units designated as London Shared Ownership and London Living Rent]

[Intermediate Unit Adjustment Sum means [Insert figure in words from the Tenant's bid] Pounds (£ [insert same figure in numbers]) per square foot]

[Intermediate Unit Base Area [insert details from the Initial Planning Permission of the Net Internal Area of the Intermediate Units]

[London Affordable Rent means low cost rented homes complying with the requirements designated for this type of tenure (including rent levels falling within the prescribed benchmarks) in the Mayor of London's Homes for Londoners Affordable Homes Programme 2021-26 Funding Guidance dated 24 November 2020];

London Living Rent means an intermediate affordable housing rent to buy product with sub-market locally specified rents on time-limited tenancies complying with the requirements designated for this type of tenure the Mayor of London's Homes for Londoners Affordable Homes Programme 2021-26 Funding Guidance dated 24 November 2020;

London Shared Ownership means a housing product allowing a home buyer to purchase a share in a new home and pay a regulated rent on the remaining share complying with the requirements designated for this type of tenure in the Mayor of London's Homes for Londoners Affordable Homes Programme 2021-26 Funding Guidance dated 24 November 2020];

Measurement Code means the edition of the RICS Property Measurement published on behalf of RICS which is current at the date of this Lease;

Net Internal Area means the net internal area as calculated in accordance with the Measurement Code;

Overage has the meaning given to it in paragraph 2.2 and 2.3 of this Schedule.

Overage Calculation Sum has the meaning given to it in paragraphs 2.2 of this Schedule

Overage Percentage means 50%

Payment Date means the 20th Working Day after the Calculation Date or (if later) after the amount of the payment has been agreed or determined.

Practical Completion Date means the date of the certificate of practical completion of the Development issued under the terms of any building contract.

[Private Sale Unit means any Dwelling which is not an Affordable Dwelling].

Private Sale Unit Adjustment Sum means [Insert figure in words from the Tenant's bid] Pounds (£ [insert same figure in numbers]) per square foot]

Private Sale Base Area [insert details from the Initial Planning Permission of the Net Internal Area of the Private Sale Units]

Proceedings means all or any of the following as the case may be:

- (a) an application for judicial review under Part 54 of the Civil Procedure Rules arising from the grant, or any procedural step towards the grant, of Planning Permission, including any appeals to a higher court following a judgement of a lower court;
- (b) an application pursuant to Section 288 of the Town and Country Planning Act 1990 arising from the grant of Planning Permission by the secretary of state, including any appeals to a higher court following a judgement of a lower court;
- (c) any reconsideration by the planning authority of a planning application or by the secretary of state of an appeal (as the case may be) following a previous Planning Permission being quashed pursuant to an application within the meaning of paragraphs (a) or (b) above and the matter being remitted to the planning authority or the secretary of state (as the case may be).

Unit Types means [Affordable Rented Units], [Intermediate Units], [Private Sale Units and Commercial Units].

2. Overage

2.1 In the event that the Further Planning Permission consents a different Net Internal Area (whether greater or lower) to that authorised by the Initial Planning Permission the Overage Calculation Sum shall be calculated in accordance with the provisions of paragraph 2.2:

2.2 The Overage Calculation Sum shall be the product of the following formula $A = ((B \times \text{Affordable Rented Unit Adjustment Sum}) + (C \times \text{Commercial Unit Adjustment Sum}) + (D \times \text{Intermediate Unit Adjustment Sum}) + (E \times \text{Private Unit Adjustment Sum}))$

Where:

A = Overage Calculation Sum ;

B = the number of square feet (if any) by which the Net Internal Area of the Affordable Rented Units exceeds or is less than the Affordable Unit Base Area;

C = the number of square feet (if any) by which the Net Internal Area of the Commercial Units exceeds or is less than the Commercial Unit Base Area;

D = the number of square feet (if any) by which the Net Internal Area of the Intermediate Units exceeds or is less than the Intermediate Unit Base Area;

E = the number of square feet (if any) by which the Net Internal Area of the Private Sale Units exceeds or is less than the Intermediate Unit Base Area;

2.3 Where the Overage Calculation Sum as calculated in accordance with paragraph 2.2 above is higher than the Price, Overage shall be calculated as follows:

$$O = (X - Y) \times Z$$

Where

O = the Overage

X = the Overage Calculation Sum

Y = the Price; and

Z = the Overage Percentage

2.4 Where the Tenant has already obtained a Further Planning Permission and has paid Overage in respect of that permission, then Overage shall be payable in accordance with the following calculation:

$$O = ((X - Y) \times Z) - W$$

Where

O = the Overage

X = the Overage Calculation Sum

Y = the Price; and

Z = the Overage Percentage

W = the total amount of Overage previously paid

2.5 The minimum value for the Overage shall be £0, so that where the Overage is a negative value, no Overage shall be payable.

3. Payment of Overage

The Tenant agrees that, for any Further Planning Permission in respect of which the Calculation Date occurs before the End Date, the Tenant shall (subject to the terms of paragraph 2) pay Overage to the Landlord on or before the relevant Payment Date.

4. Interest on late payment

If a party fails to pay any amount payable by it to another party under this Schedule on its due date, Interest shall accrue on the overdue amount on a daily basis from the due date up to the date of actual payment (both before and after judgment). Any Interest accruing under this paragraph 4 shall be compounded with the overdue amount on the last day of each month and shall be immediately payable on demand.

5. Keep Landlord informed

The Tenant shall supply promptly to the Landlord all documents and information relating to Overage as the Landlord shall reasonably require, and in particular shall supply a copy of each Further Planning Permission together with their calculation of any Overage which is payable within 10 Working Days of this permission being issued.

6. Anti-avoidance

6.1 The Tenant shall act in good faith.

6.2 In particular, the Tenant shall:

- (i) not do anything which is likely to adversely affect the amount of Overage or its prospects of being triggered;
- (ii) use reasonable endeavours to maximise the amount of Overage.

7. Dispositions

7.1 The Tenant may not make a Disposal (other than a Permitted Disposal or an under-lease of a Permitted Part) unless the donee:

- (i) executes a deed of covenant with the Landlord to comply with the Tenant's obligation in this Schedule on or before the date of the deed or document effecting the Disposal and delivers it unconditionally to the Landlord; and
- (ii) pays the proper and reasonable costs and expenses of the Landlord (including without limitation the reasonable costs and expenses of the Landlord's solicitors) in respect of the preparation and approval of the deed of covenant together with any VAT on those costs and expenses which the Landlord is unable to recover; and

- (iii) makes an application to the Land Registry on form RX1 together with the requisite fee for a restriction to be entered onto the proprietorship register of the title number of the Land (or part of it, as applicable) allocated to it by the Land Registry in the form of the restriction set out in LR13 of the Lease

Provided that the provisions of paragraph 7.1 (i) to (iii) shall not apply to the grant of an under-lease in respect of a Dwelling [or Commercial Unit (if any)] or to any Permitted Disposal.

- 7.2 The Tenant is to apply to the Land Registry on form RX1 together with the requisite fee for a restriction in the form of the restriction set out in LR13 of the Lease relating to the provisions of para 7.1 to be entered onto the proprietorship registers of each of the title number(s) to be allocated to the Lease.
- 7.3 The parties acknowledge that a restriction in these terms is not intended to be registered against any subsidiary titles created pursuant to a Permitted Disposal or under-lease of a Permitted Part and the Landlord will co-operate with the Tenant and any disponees to assist in dealing with any Land Registry requisitions in respect thereof provided that the Tenant shall be responsible for paying the Landlord's costs in so doing.
- 7.4 After the End Date and subject to all Overage due to the Landlord having been paid, the Landlord shall within 20 Working Days of the written request, provide to the Tenant the necessary release documentation for the withdrawal of the restriction entered against the title to the Land provided that the Tenant shall be responsible for paying the Landlord's costs in so doing.

8 Disputes

Any disputes between the Landlord and the Tenant (including any failure by them to agree a matter which they are at first instance required to do) may be referred by either of them to a Senior Representative and resolved in accordance with clause 14 of the Lease.

Annex 1

Land - Plan A

Annex 2

Planning Permission

Annex 3

Adjoining Land - Plan B

EXECUTED by the Parties as a Deed

**THE COMMON SEAL OF THE MAYOR
AND BURGESSES OF THE LONDON
BOROUGH OF ENFIELD** was hereunto
affixed in the presence of:-

.....

Authorised Officer

Executed as a deed by)
[*Insert name of the Tenant company*])
Acting by a Director in the presence of:)

Signature of Witness :

Name of Witness :

Address :

.....

.....

Occupation:

Executed as a deed by)
[Insert name of the Surety company])
Acting by a Director in the presence of:)

Signature of Witness :

Name of Witness :

Address :

.....

.....

Occupation: