DATED 16th February 2016

(1) HOMES AND COMMUNITIES AGENCY

(2) TIDEBANK UK LIMITED

BUILDING LEASE
relating to Phase 1, Daedalus Park, The Solent Enterprise Zone, Lee-on-the Solent

Pinsent Masons

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PRESCRIBED CLAUSES

LR1. Date of lease 16 February 2016

LR2. Title number(s)

LR2.1 Landlord's title number(s)

HP666937, HP668344 and HP667125

LR2.2 Other title numbers

LR3. Parties to this lease

Landlord

HOMES AND COMMUNITIES AGENCY of Arpley House, 110 Birchwood Boulevard, Birchwood, Warrington WA3 7QH

Tenant

TIDEBANK UK LIMITED (Company Number 07024441) whose registered office is at 49 North Shore Road, Hayling Island, Hampshire PO11 0HN

Other parties

None.

LR4. Property

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

The land demised by this lease at Daedalus Park defined as the Land in the Definitions Clause and more fully described in that definition.

LR5. Prescribed statements etc.

LR5.1 Statements prescribed under rules 179 (dispositions in favour of a charity), 180 (dispositions by a charity) or 196 (leases under the Leasehold Reform, Housing and Urban Development Act 1993) of the Land Registration Rules 2003.

None.

LR5.2 This lease is made under, or by reference to, provisions of:

None.

LR6. Term for which the Property is leased

The term as specified in this Lease at Clause 2.

LR7. Premium

£490,000.(FOUR HUNDRED AND NINETY THOUSAND POUNDS)

LR8. Prohibitions or restrictions on disposing of this lease

This Lease contains a provision that prohibits or restricts dispositions.

LR9. Rights of acquisition etc.

LR9.1 Tenant's contractual rights to renew this lease, to acquire the reversion or another lease of the Property, or to acquire an interest in other land

None.

LR9.2 Tenant's covenant to (or offer to) surrender this lease

As set out in Clause 6

LR9.3 Landlord's contractual rights to acquire this lease

None.

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

None.

LR11. Easements

LR11.1 Easements granted by this lease for the benefit of the Property

See Schedule 1 Part 1.

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

See Schedule 1 Part 2.

LR12. Estate rentcharge burdening the Property

None.

LR13. Application for standard form of restriction

The Parties to this Lease apply to enter the following standard form of 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 written consent signed on behalf of Homes and Communities Agency by an authorised officer or its conveyancer (Form N)".

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

Not applicable.

THIS LEASE is made on 16th February 2016

BETWEEN:-

(1) **HOMES AND COMMUNITIES AGENCY** having its principal place of business at Arpley House, 110 Birchwood Boulevard, Birchwood, Warrington WA3 7QH (the "**Landlord**") (which expression shall where the context so admits include the person for the time being entitled to the reversion immediately expectant upon the determination of the term hereby agreed to be granted); and

(2) **TIDEBANK UK LIMITED** (referred to in the Prescribed Clauses as (the "**Tenant**") (Company Number 07024441) whose registered office is at 49 North Shore Road, Hayling Island, Hampshire PO11 0HN (the "**Developer**").

IT IS AGREED as follows:-

1. **INTERPRETATION**

1.1 In this Lease:-

"1954 Act"	means the Landlord and Tenant Act 1954
"2007 Regulations"	means the Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Regulations 2007 (SI 2007/991)
"Adjoining Land"	means the land owned by the Landlord (whether solely or jointly with others) in the vicinity of, adjacent to or adjoining the Land)
"Adoptable Common Services"	means all Common Services which are intended to become adopted or maintainable at the public expense or by any public or statutory authority
"Agreement for Lease "	means the agreement dated 27 November 2015 made between the (1) the Landlord and (2) the Developer under which this Lease has been granted
"Approved Plans"	means the drawings, layout plan, the landscaping layout and scheme and building specifications, programme of works and any other plans and specifications relating to the Development which have been approved pursuant to the Planning Permission (with such amendments as may be approved in writing by the Landlord from time to time)
"Architect"	Forum Architecture Limited, Studio 52, Basepoint, Andersons Road, Southampton, Hampshire SO14 5FE (subject to variation in accordance with Clause 17) who shall carry out the role of architect, principal designer (for the purposes of the Construction Design and Management) Regulations 2015, as amended from time to time) and be responsible for issuing the Certificate of Practical Completion
"Block"	means the building comprising a terraced or semi-detached block of Units or, in the case of a detached Unit, that Unit alone can comprise a Block
"Breach Termination Notice"	means a written notice served by the Landlord on the Developer (copied to the Permitted Chargee) as described in Clause 9.2.2 referring to that clause and stating that failure to respond within 20 Working Days could lead to the termination of this Lease

"Building Contractor"	means Mildren Construction Limited or such other SSIP registered contractor or contractors (or such other persons or bodies) engaged by the Developer from time to time and first approved by the Landlord in writing to act as lead contractor or contractors in respect of the Development
"Building Contract"	means the building contract or contracts for the Development in substantially the form of a JCT Design and Build 2011 edition contract allowing for sectional practical completion in accordance with this Lease and the Approved Plans and Planning Permission and entered into between the Developer and the Building Contractor(s)
"Certificate of Practical Completion"	means the certificate of practical completion issued by the Architect pursuant to the Building Contract confirming that Practical Completion has been achieved in accordance with this Lease and the parties acknowledge that as the Building Contact will relate to the Land as well as other phases referred to in the Agreement for Lease, such certificate may be issued in relation to a Block or the whole of the Land as though such Block or Land were a section under the Building Contract
"Commencement Date"	means the date on which the Developer first commences the Development upon the Land
"Common Areas"	means:- (a) those parts of the Land not included in any Unit; (b) those Highways and Common Services at the Land not intended to be adopted as maintainable at public expense and which it is intended shall be transferred to the Management Company or retained by the Developer (as the case may be) as shown on the Approved Plans
"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 may or may not be adopted as maintainable at public expense on the Land
"Considerate Constructors Scheme"	the Code of Considerate Practice promoted by the construction industry a copy of which is to be found on the Considerate Constructors Scheme website
"Council"	means Gosport Borough Council

"Date of Practical Completion" means either:-

(a) if Practical Completion is effected for the whole of the Land at once then the date that a Certificate of Practical Completion has been issued by the Architect to certify the following:-

(1) in relation to all Blocks within the Land, that they have been completed in accordance with the Building Contract, the Approved Plans and the Planning Permission and are ready for immediate occupation and use and all service media, Highways and footpaths serving them have been completed to such a degree as to permit lawful use and occupation; and

(2) in relation to all Highways within the Land that they have been satisfactorily completed to base course level save for the final top coating of tarmac; or

(b) if Practical Completion is effected on a Block by Block basis then:-

(i) in relation to the first Block on the Land to be transferred, the date that a Certificate of Practical Completion has been issued by the Architect to certify the following:-

(1) in relation to the Block, that the relevant Block has been completed in accordance with the Building Contract, the Approved Plans and the Planning Permission and is ready for immediate occupation and use and all service media, Highways and footpaths serving such Block have been completed to such a degree as to permit lawful use and occupation; and

(2) in relation to all Highways within the Land that they have been satisfactorily completed to base course level save for the final top coating of tarmac

(ii) in relation to all subsequent Blocks within the Land to be transferred, the date on which a Certificate of Practical Completion has been issued by the Architect to certify that the relevant Block has been completed in accordance with the Building Contract, the Approved Plans and the Planning Permission and is ready for immediate occupation and use and all service media, Highways and footpaths serving such Block have been completed to such a degree as to permit lawful use and occupation

and the terms **"Practical Completion"** **"Practically Complete"** and **"Practically Completed"** shall be construed accordingly

"Deleterious Materials" means any materials or substances which:-

(a) are not in accordance with the report entitled "**Good Practice in the Selection of Construction Materials**" (published under the auspices of the steering group representing the British Council for Offices and the British Property Federation and prepared by Ove Arup) at the date of this Lease and/or the relevant British and/or European Standards and/or codes of practice or which are generally known within the construction industry at the time of specification or use to be deleterious to the durability and/or to the health and safety of buildings and/or structures and/or finishes and/or plant and machinery in the particular circumstance in which they are specified to be used; or

(b) are (or fall within) a Category D or E Specification as referred to in the report referred to in (a) above

"Developed Phase" means each and every part of the Land which has not already been transferred by the Landlord pursuant to the terms of this Lease on which the Developer has from time to time constructed a Unit which is practically complete together with the curtilage and Common Areas associated with all such Units and all appurtenant, roads, sewers, services and other facilities and infrastructure serving or benefitting or intended to serve or benefit the same

"Developer" includes every person who is a successor in title to the tenant under this Lease and for the purposes of Schedule 5 (Overage) shall include any tenant of an underlease granted pursuant to Clause 7.9

"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 and the Approved Plans, including site preparation and (if necessary) the demolition of any existing buildings to provide for the erection of 30,870 square feet of Units

"EIR" means the Environmental Information Regulations 2004 and any subordinate legislation made under this Act from time to time together with any guidance and/or codes of practice issued by the Information Commissioner in relation to such legislation

"EIR Exception" means any applicable exemption to EIR

"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

"Energy Performance Certificate" means a certificate issued under the 2007 Regulations

"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 Authority"	means any person or legal entity (whether statutory or non-statutory or governmental or non-governmental) having regulatory authority under Environmental Law and/or any court of law or tribunal or any other judicial or quasi-judicial body
"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
"Estate"	means the Landlord's land comprising title numbers HP668344, HP667125 and HP666937 at HM Land Registry
"Estate 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 may or may not be adopted as maintainable at public expense on the Estate
"Exempted Information"	means any Information that is designated as falling or potentially falling within the FDA Exemptions or the EIR Exceptions
"External Design Details"	means all external design details of the Development to include without limitation the external elevational design details, external materials, hard and soft landscaping design and any other external design elements of the Development
"External Design Provisions"	means any provision(s) in this Lease which control any of the External Design Details including without limitation Schedule 3 paragraph 2.1.6, paragraph 7.1.4, paragraph 10 and paragraph 16
"Fareham Transfer"	means a transfer of Daedalus Airfield dated 27 March 2015 between (1) Homes and Communities Agency and (2) Fareham Borough Council
"FOIA"	means the Freedom of Information Act 2000 and any subordinate legislation made under this Act from time to time together with any guidance and/or codes of practice issued by the Information Commissioner in relation to such legislation
"FOIA Exemption"	means any applicable exemption to FOIA

"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
"HCC Planning Agreement"	means the agreement under section 106 of Act dated 26 March 2013 and made between (1) Hampshire County Council and (2) the Landlord relating to the Land and other land as supplemented by an agreement also dated 26 March 2013 and as varied by Deeds dated 5 December 2013 and 20 March 2015 made between the same parties
"Highways"	means roads, estate roads, cycleways, footpaths, pavements, accessways, squares, courtyards, driveways, forecourts, entranceways and ancillary verges, landscaped areas, lighting, street furniture, drains, other utilities and associated works
"Highways Plan"	means the plan attached at Appendix 3
"Information"	means:- (a) in relation to FOIA has the meaning given under section 84 of the FOIA; and (b) in relation to EIR has the meaning given under the definition of "**environmental information**" in section 2 of EIR
"Insolvency"	means, in relation to the Developer:- (a) the appointment of:- (i) an administrator; or (ii) a receiver and/or manager to this Lease by a Permitted Chargee; or (iii) a liquidator (whether compulsorily or voluntarily except for the purpose of a solvent reconstruction) (b) the Permitted Chargee taking possession as mortgagee, (and '**Insolvent**' shall be construed accordingly)
"Insolvency Termination Notice"	means a written notice served by the Landlord on the Developer (copied to the Permitted Chargee) as described in Clause 9.2.1 referring to that clause and stating that failure to respond within 20 Working Days could lead to the termination of this Lease
"IP"	means any of: a liquidator or administrator appointed to the Developer, or a receiver and/or manager appointed to the Lease of whom the Landlord has written notice

"Interest"	means interest at the rate of four per cent per annum above the base lending rate from time to time of Barclays Bank PLC (or of such other UK clearing bank as the Landlord may designate from time to time by giving notice to the Developer) both before and after any judgment, calculated on a daily basis from the date on which the payment is due under this Lease to the date on which such payment is made
"Land"	means Phase 1, Daedalus Park and being part of the Solent Enterprise Zone Lee-on-the Solent being part of the land registered at the Land Registry under title numbers HP 666937, HP 668344 and HP667125 and being shown edged red on the Plan
"Landlord"	includes the person who is from time to time entitled to the reversion immediately expectant on the determination of this Lease
"Landlord's Representative"	means Jeremy Herring, Senior Development Manager of Homes and Communities Agency or such other individual as the Landlord may notify to the Developer from time to time
"Lease"	means this 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 the person or company from time to time nominated by the Developer (such approval not to be unreasonably withheld or delayed) to deal with the of the Common Parts of the Estate after completion of the Development
"Method Statement"	means the method statement produced by the Developer for the Development which sets out in detail how the Developer will implement the Employment and Skills Plan
"Overage Deed"	means a deed to be entered into by the Landlord and the Tenant in the form of the overage deed at Appendix 1
"Particulars"	means the details appearing in the page of this Lease so headed
"Party"	means a party to this Lease and Parties means more than one Party
"Permitted Chargee"	means any mortgagee of this Lease and/or holder of a floating charge over all or substantially all of the Developer's business and assets approved by the Landlord pursuant to Clause 7.8 and of whom the Landlord has written notice
"Plan"	means the plan at Appendix 4 showing the layout and boundaries of the buildings to be comprised in the Development on the Land
"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 Phase or any provision of similar intent and any variation, amendment or modification thereof
"Planning Permission"	means the consent issued under reference 15/00247/FULL by Gosport Borough Council on 21 October 2015 as varied on under reference 15/00547/VOC on 29 January 2016
"Premium"	means the sum defined in Prescribed Clause LR7
"Professional Team"	means the Architect and Structural Engineer
"Professional Team Appointments"	means the appointments of the Professional Team in a form agreed between the Landlord and the Tenant (both acting reasonably) (subject to variation under Clause 18 of this Lease)
"Regional Director"	means Kevin Bourner or such other person holding the position of Regional Director of the Landlord as the Landlord shall confirm to the Developer in writing from time to time
"Request for Information"	shall have the meaning set out in FOIA or any request for information under EIR which may relate to the Phase, this Lease or any activities or business of the Landlord
"Sewers Technical Approval"	means written approval by the competent water authority of the Developer's detailed proposals for adoptable foul and surface water sewers within the Development
"Site Access"	means the access to the Land from the adopted public highway over the Estate shown cross-hatched on the Highways Plan (as varied by the Landlord from time to time acting reasonably)
"SSIP"	means Safety Schemes in Procurement promoted by the Associate for Project Safety of 5 New Mast Place Edinburgh E14 1RW
"Site Specific Obligations"	means those matters set out in Schedule 3
"Structural Engineer"	means JPP Consulting, Cedar Barn, White Lodge, Walgrave, Northamptonshire, NN6 9PY (subject to variation in accordance with Clause 18)
"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 this Lease

"Terminate the Lease"	means in this clause the exercise by the Landlord of any of the rights listed in Clauses 9 and 10 to bring this Lease to an end and Termination of this Lease shall be construed accordingly
"Timetable"	means the timetable for carrying out and completing the Development at Appendix 5 as may be amended from time to time in accordance with this Lease
"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 together with the matters listed in Schedule 1 to the Agreement for Lease
"Transfer"	means a transfer of part of the Land substantially in the form set out in Appendix 2
"Unit"	means any buildings and structures erected on the Land including but not limited to industrial buildings for use within Use Classes B1, B2 and or B8 of the Use Classes Order 1987 (and for the avoidance of any doubt not for any use as residential accommodation or as a retail food store) and their immediate curtilage and any, parking spaces, or forecourts relating to such buildings/structures
"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
"Warranty"	means the collateral warranties to be given by the Professional Team and Building Contractor appointed in respect of the relevant Phase in favour of the Landlord (in relation to their respective services to be provided under the respective appointments substantially in the form of the draft warranty annexed to the Agreement for Lease with such amendments as shall be agreed between the parties (both parties acting reasonably)
"Working Day"	means any day except Saturday, Sunday or any public holiday in England

1.2 Terms specified in the Particulars shall have the meanings there given to them.

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

1.4 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.

1.5 A covenant by the Developer not to do any act or thing includes a covenant by the Developer not to permit or suffer such act or thing to be done.

1.6 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.

1.7 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 this Lease, but the validity and enforceability of the remainder of that provision or of the Lease shall not be affected.

1.8 A reference to a numbered clause, schedule or paragraph is a reference to the relevant clause, schedule or paragraph in this Lease.

1.9 Headings to clauses, schedules and paragraphs are for convenience only and do not affect the meaning of this Lease.

1.10 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.

1.11 References to the completion of a transfer or other disposal mean the execution and delivery of the necessary documents, not their subsequent registration.

1.12 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.

1.13 Where the consent or approval of the Landlord is required such consent or approval must be in writing and be signed by the Regional Director (or such other officer as shall have been notified in writing by the Landlord to the Developer as being the appropriate officer for such purposes).

1.14 The Completion Date for the purposes of the Transfer will be calculated in accordance with Schedule 2.

2. DEMISE

For the Premium and any other sums payable under this Lease and the covenants on the part of the Developer contained in this Lease the Landlord HEREBY DEMISES to the Developer with limited title guarantee ALL THAT the Land TOGETHER with the benefit of the rights set out in Part 1of 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 Developer from the date hereof for the term of ONE HUNDRED AND TWENTY FIVE YEARS (determinable nevertheless as hereinafter mentioned) SUBJECT to all Title Matters and to all rights, easements and privileges affecting the Land or any part thereof PAYING THEREFOR the yearly rent of ONE PEPPERCORN (if demanded) on the anniversary of the date of this Lease.

3. DEVELOPER'S COVENANTS RELATING TO THE DEVELOPMENT

The Parties acknowledge that the Developer is under no obligation to commence, carry out or complete the Development but to the extent that the Developer does commence the Development the Developer covenants to comply with the obligations contained in Schedule 3.

4. PREMIUM

The Developer shall pay the Premium to the Landlord in cleared funds as follows:-

4.1 the Premium (less any deposit paid prior to the date hereof and less the sum of £82,712.00 by way of a contribution to the section 106 agreement) on the earlier of:-

4.1.1 the date which is 10 Working Days after the issue of the first Certificate of Practical Completion; and

4.1.2 completion of the transfer of the freehold interest in the first Block or land (as applicable) pursuant to paragraph 2 of Schedule 2 to this Lease

4.2 Interest shall be due or any overdue payments under this Clause 4 from the due date for payment until the date of payment.

5. **PRACTICAL COMPLETION AND TRANSFER OF LAND**

The Developer and the Landlord covenant with each other to comply with their respective obligations in Schedule 2.

6. **NOT USED**

7. **DEVELOPER'S FURTHER COVENANTS**

The Developer further covenants with the Landlord as follows:-

7.1 To pay (if demanded) the reserved rent on the days and in the manner aforesaid.

7.2 To pay Interest on any sum of money payable to the Landlord by the Developer under this Lease which is not paid when payment is due.

7.3 To pay all rates, taxes, claims, assessments and outgoings whatsoever in respect of the Land (except in relation to any Unit which has been disposed of to a purchaser or buyer/tenant) now or hereafter imposed or charged upon the owner or occupier.

7.4 To indemnify and keep indemnified the Landlord from and against all claims, demands and liabilities howsoever arising from the use or occupation of the Land or its condition or any breach by the Developer of the provisions of this Lease or in respect of the design of the Development or any part thereof and the materials and workmanship used by the Developer in the Development or any part thereof.

7.5 Prior to the issue of each Certificate of Practical Completion not to use the relevant Land other than for the Development.

7.6 After the issue of each Certificate of Practical Completion not to use the relevant Land for any use other than one that falls within Classes B1 B2 or B8 of the Town and Country Planning (Use Classes) Order 1987.

7.7 Not to assign, underlet, part with possession or share occupation of the whole or any part of the Land.

7.8 Not to charge this Lease save that the Developer shall be permitted with the prior written consent of the Landlord (such consent not to be unreasonably withheld or delayed) to charge this Lease to a person, firm or company providing the finance for the acquisition of the Land and the construction of the Development.

7.9 Within fourteen days after the date of every dealing charge or other devolution of this 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 £30 plus VAT) (and in the case of a Permitted Chargee (as defined in Clause 9), such notice shall contain an address for service within England and Wales for the chargee).

7.10 To pay all proper expenses (including solicitors' costs and surveyor's fees) incurred by the Landlord of and incidental to and in connection with:-

7.10.1 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; and

7.10.2 any notices or consents required or given under this Lease,

7.11 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 Developer or the original or a copy thereof be received from any other person whatsoever the Developer will:-

7.11.1 so far as such notice, order, direction or other thing or the Act regulations or other instrument under or by virtue of which it is issued or the provisions hereof require it so to do comply therewith at its own expense; and

7.11.2 forthwith deliver to the Landlord a copy of such notice, order, direction or other thing.

7.12 At the end or sooner determination of the said term quietly to yield up the Land to the Landlord in accordance with the covenants on the part of the Developer contained in this Lease.

7.13 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 Land (save that the normal use of the Land or any part of it for the purposes described in Clause 7.5 shall not be deemed to be a breach of this clause) 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.

7.14 To comply with all Title Matters.

7.15 In the event of a default by the Developer to execute any documents required under this Lease, the Developer irrevocably and by way of security appoints the Landlord as its attorney and in its name and on its behalf and as its act and deed and in such manner as the attorney may think fit to sign, execute, seal, deliver and do all deeds instruments acts and things which it is required to do under this Lease. The Developer covenants immediately on the request of the Landlord to ratify and confirm all deeds, instruments, acts and things signed, executed, sealed, delivered and done under that appointment.

7.16 To obtain at the Developer's cost and to make available to prospective purchasers at the appropriate time and free of charge an Energy Performance Certificate for each Unit.

7.17 To comply with Schedule 5.

8. LANDLORD'S COVENANTS

The Landlord covenants with the Developer as follows:-

8.1 That the Developer observing and performing the several covenants and stipulations on the part of the Developer herein contained shall peacefully hold and enjoy the Land during the said term without any interruption by the Landlord or any person rightfully claiming under or in trust for it.

8.2 If requested by the Developer the Landlord as landowner will enter into any transfers, leases, easements, licences or other agreements with any public authority in connection with the Adoptable Common Services or any service media and any ancillary apparatus on terms approved by the Landlord subject to the Developer 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.

8.3 To comply with its obligations in Schedule 5.

8.4 To keep such of the Highway cross hatched black on the Highways Plan as falls within the Landlord's legal and equitable ownership in good repair and condition until adopted and maintainable at public expense, save to the extent that such Highway is subject to temporary works, temporary disruption and minor variation to route as may result from works carried out by or on behalf of Hampshire County Council (or such body as responsibility for such works may pass in the future).

8.5 To use reasonable endeavours to enforce such obligations as the Landlord is able to enforce in relation to maintenance of the Highway cross hatched black on the Highways Plan contained in a transfer dated 27 March 2015 between (1) the Landlord and (2) Fareham Borough Council.

9. **FORFEITURE**

9.1 **Not used**

9.2 **Landlord's Remedies on breach**

9.2.1 **Insolvency event**

If:-

(a) an administration order is made in relation to the Developer;

(b) the Developer shall enter into liquidation (whether compulsorily or voluntarily except for the purposes of amalgamation or reconstruction of a solvent company);

(c) a receiver or manager shall be appointed by the Developer;

(d) the Developer becomes Insolvent,

then and in any such case the Landlord may serve an Insolvency Termination Notice. Following the service of any Insolvency Termination Notice under this sub-clause, the provisions of Clause 10 shall govern the respective rights of the Landlord, the Developer and the Permitted Chargee.

9.2.2 **Material breach as Developer**

If:-

(a) if there shall be a material breach, non-performance or non-observance of any of the terms of this Lease; or

(b) if the Developer has not substantially commenced the Development within three months of the date of this Lease;

then and in any such case the Landlord may serve a Breach Termination Notice and if it shall do so shall serve a copy of such notice on any Permitted Charge. Following the service of any Breach Termination Notice under this sub-clause, the provisions of Clause 9 and 10 shall govern the respective rights of the Landlord, the Developer and the Permitted Chargee.

9.2.3 **Failure to Carry out Works**

In addition to the Landlord's remedies set out in Clauses 9.2.1 and 9.2.2 above if the Developer or the Permitted Chargee (as appropriate) shall fail to carry out or complete any of the works required by this Lease in accordance with the terms of this Lease and the Developer shall have failed to carry out the same within a reasonable period of a written notice sent by the Landlord to the Developer specifying the breach and requiring the Developer to remedy the breach the Landlord its agents employees contractors and licensees shall at any time prior to such remediation be entitled to enter the Land and to carry out such works itself and the Developer or Permitted Chargee shall forthwith upon demand reimburse the proper costs fees and expenses incurred by the Landlord in connection therewith together with interest at the Prescribed Rate (such costs fees expenses and interest to be recovered by the Landlord as a debt).

9.3 **Termination of the Lease**

The Landlord may not:-

9.3.1 re-enter (save as provided for in Clause 9.2.3) and take possession of the Land; or

9.3.2 forfeit the Lease,

unless it has first served notice on the Developer (copied to the Permitted Chargee) and served an Insolvency Termination Notice in accordance with the terms of sub-clause 9.2.1 or, as appropriate, a Breach Termination Notice in accordance with Clause 9.2.2 and the provisions of Clauses 10 have been properly complied with.

9.4 If the Lease is Terminated:-

9.4.1 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 Developer grants to the Landlord, any IP and the Permitted Chargee to the extent that it is able 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 Developer and the Land and this licence shall be freely assignable to third parties and carry the right to grant sub-licences;

9.4.2 to the extent that the beneficial ownership of copyright, design right or any other intellectual property right in any documents referred to in sub-clause 9.4.1 above is vested in any person other than the Developer including (without limitation) any of the Consultants or the Contractor or other contractor or supplier the Developer 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 sub-clause 9.4.1 above.

9.5 Neither the Developer 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.

10. LANDLORD'S RIGHTS ON DEVELOPER'S INSOLVENCY

10.1 Within 20 Working Days after the service of an Insolvency Termination Notice the Landlord shall be entitled to notify the IP and/or Permitted Chargee of the service of the Insolvency Termination Notice.

10.2 Within 20 Working Days of notification from the Landlord pursuant to Clause 10.1:-

10.2.1 the IP; or

10.2.2 if the Permitted Chargee has taken possession as mortgagee, the Permitted Chargee

shall confirm in writing to the Landlord whether it:-

(a) proposes to complete the Development in accordance with the terms of this Lease; or

(b) proposes to seek a Suitable Substitute to complete the Development; or

(c) proposes not to complete the Development.

10.3 The IP or Permitted Chargee may (if either so wishes) indicate in a notice served under Clause 10.1 that it proposes to take the action specified in Clause 10.2.2(a) pending Clause 10.2.2(b) above. If the IP or Permitted Chargee has given such an indication and taken the action in Clause 10.2.2(a) within the requisite time scale it will be entitled within a period of 3 months from the date of service of the insolvency Termination Notice to seek a Suitable Substitute to complete the Development and the provisions set out in Clause 10.4 (other than as to timescale where the provisions of this Clause 10.2 will apply instead) will apply in relation to any Suitable Substitute proposed during that 3 month period.

10.4 Where the IP or Permitted Chargee informs the Landlord in writing pursuant to Clause 10.1 that it will complete the Development then the IP (acting in its capacity for and on behalf of the Developer and without any personal liability) and/or the Permitted Chargee (as the case may be) shall be bound by the terms of this Lease from the date of that notification (and the Permitted Chargee shall take an assignment of both the benefit and burden of this Lease within a further 20 Working Days after serving that notification) and (subject to any arrangements for curing any antecedent breaches by the Developer and/or extending the terms of the Lease for a reasonable period in order to permit completion of the Development as the IP or Permitted Chargee and the Landlord shall agree, acting reasonably) (or in the absence of agreement as determined by an expert in accordance with Clause 12)) on any breach of the terms of this Lease by the IP or Permitted Chargee following that assignment the Landlord's rights to forfeit as set out in this Lease will apply but without the need to serve a Breach Termination Notice or an Insolvency Termination Notice on the IP or Permitted Chargee as set out in Clause 9.

10.5 Where the IP or Permitted Chargee indicates to the Landlord in writing pursuant to Clause 10.2 that it will seek a Suitable Substitute then within 3 months after serving that notification it must:-

10.5.1 identify that Suitable Substitute;

10.5.2 obtain the Landlord's approval to that Suitable Substitute (such approval not to be unreasonably withheld or delayed); and

10.5.3 procure that the Suitable Substitute enters into an assignment of this Lease and, if at such date the Infrastructure Works are not yet completed, a Deed of Covenant with new arrangements for curing any antecedent breaches by the Developer and such extension of the Timetable and the Development End Date as is reasonable in order to permit the completion of the Development as the Suitable Substitute and the Landlord shall agree, acting reasonably (or in the absence of agreement as determined by an expert in accordance with Clause 12).

10.6 If:-

10.6.1 the IP or Permitted Chargee fails to respond to an Insolvency Termination Notice within 20 Working Days of service; or

10.6.2 their response indicates that they do not wish to complete the Development; or

10.6.3 the Lease is not assigned within the timescale required by Clauses 10.4 or 10.5 as the case may be.

the Landlord may on the earlier of:-

10.6.4 the expiry of that 20 Working Day period; and

10.6.5 receipt of such response; and

10.6.6 (in the case of Clause 10.6.3) on expiry of the period for assignment,

terminate the Lease.

10.7 If the Landlord terminates the Lease then it will have regard to its common law obligation to mitigate against its loss.

11. LANDLORD'S OPTION

The Landlord and the Tenant shall observe their respective obligations in Schedule 6 of this Lease.

12. DISPUTES

12.1 In this Lease:-

12.1.1 "**Dispute**" shall mean and include any difference or dispute between the Landlord and the Developer arising out of or in connection with this Lease which the Landlord and the Developer have been unable to resolve between them prior to referring the matter for resolution in accordance with the provisions of this Clause 12 and shall include any question as to the validity or interpretation of this Lease and any dispute arising before or after Termination of this Lease;

12.1.2 "**Senior Representative**" shall mean any director of senior executive officer of the Landlord or the Developer.

12.2 Any Dispute between the Landlord or the Developer arising out of or connected with any matter referred to in this Lease for which a dispute resolution procedure is expressly provided in other clauses of this Lease shall be resolved in accordance with the dispute resolution procedure so provided. Any other Disputes which may arise between the Landlord or the Developer shall be resolved in accordance with the procedures of this Clause 12.

12.3 Any Dispute which may arise shall first be referred to the Senior Representative of the Landlord and the Developer for resolution through negotiation. Either the Landlord of the Developer 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 Developer. 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 Developer and shall at their meeting negotiate in good faith in an attempt to resolve the Dispute. The Landlord and the Developer shall bear their own costs of referring a Dispute to Senior Representatives for resolution through negotiation.

12.4 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 Developer shall be entitled to implement the dispute resolution procedure as set out in the following sub-clauses:-

12.4.1 insofar as the provisions of this 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 then the same shall be settled by counsel of at least 7 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;

12.4.2 any other dispute arising between the Landlord and the Developer 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.

12.5 Any costs payable by reason of the provisions of this Clause 12 shall be borne initially in equal proportions by the Landlord and the Developer and thereafter as may be adjusted by the award or awards pursuant to the provisions thereof.

13. NOTICES

13.1 Any notice, decision, direction, approval, authority, permission or consent to be given by the Landlord under this 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.

13.2 Any notice, decision, direction, approval, authority, permission or consent to be given by a Party shall be sufficiently served, in the case of anything to be served on the Developer, by being left or sent by post to the Developer 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 Arpley House, 110 Birchwood Boulevard, Birchwood, Warrington WA3 7QH and marked for the attention of the Regional Director with a copy to Homes and

Communities Agency, Bridge House, 1 Walnut Tree Close, Guildford GU1 4GA marked for the attention of Jeremy Herring (or such other address or reference as may be notified in writing by the Landlord to the Developer for such purpose).

14. **LANDLORD'S POWERS AND LIABILITY**

14.1 Nothing herein contained or implied shall prejudice or affect the Landlord's rights, powers, duties and obligations in pursuance of its objects as a statutory body and the rights, powers. duties and obligations of the Landlord under all public or private statutes, byelaws, orders and regulations may be as fully and effectually exercised in relation to the Land and the Development as if the Landlord were not the owner of the Land and this Lease had not been executed by it,

14.2 The Landlord shall not be under any liability whatsoever in respect of any defect in the design of the Development by reason of the Landlord having approved the Approved Plans 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 Developer declares that:-

14.2.1 no oral representation has been made to the Developer prior to the date hereof by the Landlord or its agents concerning the subject matter of this Lease which has influenced, induced or persuaded the Developer to enter into this Lease; and

14.2.2 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.

15. **VALUE ADDED TAX**

15.1 All monies payable under the terms of this Lease are paid exclusive of VAT.

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

16. **ACKNOWLEDGEMENT**

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

16.2 No variation of this Lease shall be made other than by deed.

17. **ARCHITECT AND BUILDING CONTRACTOR**

17.1 The Tenant shall procure that Warranties are entered into in favour of the Landlord and provided to the Landlord as soon as possible and in any event within 4 weeks of the date of this Lease.

The Developer agrees:-

17.2 to enforce expeditiously all rights and remedies which it may have against the Architect and Building Contractor and shall not without the prior written consent of the Landlord (not to be unreasonably withheld or delayed) discharge or release such party from, nor restrict or diminish any of its obligations or liabilities relating to the Development provided that nothing in this clause shall prejudice or affect the Landlord's own remedies against the Architect and Building Contractor;

17.3 to observe and perform the obligations on its part in the manner and at the times set out in the Architect's Professional Team Appointment and Building Contract so as to ensure the due performance by the Architect and Building Contractor of their respective services, to operate the provisions of the Architect's Professional Team Appointment and Building Contract;

17.4 not to replace or substitute (or agree or approve any replacement or substitution of) the Architect or Building Contractor without:-

17.4.1 the prior written approval of the Landlord;

17.4.2 the Landlord having approved the form of the appointment of the replacement or substitute Building Contractor or Architect; and

17.4.3 such replacement or substitute Architect or Building Contractor having entered into (and delivered to the Landlord) a collateral warranty in favour of the Landlord in substantially the same form as that attached to the Agreement for Lease (subject to any change which the Landlord may reasonably require as a result of variation in the form of the new appointment or the status of the replacement or substitute Architect or Building Contractor).

18. **PROFESSIONAL TEAM**

In relation to the appointments of any member of the Professional Team the Developer agrees not to replace or substitute (or agree to replace or substitute) any one of them without:-

18.1 the prior written approval of the Landlord (such approval not to be unreasonably withheld or delayed);

18.2 the Landlord having approved (such approval not to be unreasonably withheld or delayed) the form of Professional Team Appointment for the replacement or substitute member of the Professional Team; and

18.3 such replacement or substitute Professional Team member having entered into (and delivered to the Landlord) a deed of warranty in substantially the same form as that attached to the Agreement for Lease (subject to any change which the Landlord may reasonably require as a result of variation to the form of Professional Team Appointment or the status of the replacement or substitute Professional Team member).

18.4 Please see Rider

19. **FREEDOM OF INFORMATION**

19.1 The Developer acknowledges that the Landlord is subject to legal duties which may require the release of Information under FOIA and/or EIR and that the Landlord may be under an obligation to provide Information subject to a Request for Information. The parties acknowledge that such Information may include matters relating to, arising out of or under this Lease and any information provided by the Developer prior thereto.

19.2 The Landlord shall be responsible for determining in its absolute discretion whether:-

19.2.1 any Information is Exempted Information or remains Exempted Information; or

19.2.2 any Information is to be disclosed in response to a Request for Information,

and in no event shall the Developer respond directly to a Request for Information to which the Landlord is required to respond to, except to confirm receipt of the Request for Information and that the Request for Information has been passed to the Landlord, unless otherwise expressly authorised to do so by the Landlord.

19.3 Subject to Clause 19.4 below the Developer acknowledges that the Landlord may be obliged under FOIA or EIR to disclose Information:-

19.3.1 without consulting the Developer; or

19.3.2 following consultation with the Developer and having taken (or not taken, as the case may be) its views into account.

19.4 Without in any way limiting Clauses 19.2 and 19.3, in the event that the Landlord receives a Request for Information the Landlord will, where relevant, as soon as reasonably practicable notify the Developer.

19.5 The Developer will assist and co-operate with the Landlord as requested by the Landlord to enable the Landlord to comply with its disclosure requirements under FOIA and EIR within the prescribed periods for compliance and in particular without limitation will (and shall procure that its employees, agents and sub-contractors will) at their own cost:-

19.5.1 transfer any Request for Information received by the Developer to the Landlord as soon as practicable after receipt and in any event within two Working Days of receiving a Request for Information;

19.5.2 provide all such assistance as may be required from time to time by the Landlord and supply such data or information as may be requested by the Landlord;

19.5.3 provide the Landlord with any data or information in its possession or power in the form that the Landlord requires within five Working Days (or such other period as the Landlord may specify) of the Landlord requesting that Information;

19.5.4 ensure that all Information produced in the course of this Lease or relating to this Lease is retained for disclosure; and

19.5.5 permit the Landlord to inspect all records retained in accordance with Clause 19.5.4 as requested from time to time.

19.6 Nothing in this Lease will prevent the Landlord from complying with any valid order, decision, enforcement or practice recommendation notice issued to it by the Information Commissioner under FOIA and/or EIR in relation to any Exempted Information.

20. CONSIDERATE CONSTRUCTORS SCHEME

The Developer shall in carrying out the works comprising the Development comply with the provisions of the Considerate Constructors Scheme save that where there shall be any conflict between the provisions of this Lease and the provisions of the said Scheme the former shall prevail.

21. LAW

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

22. COMMENCEMENT

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.

23. ENVIRONMENTAL LIABILITIES

23.1 The Landlord and the Developer agree that (subject to Clause 23.7):-

23.1.1 if any notice or requirement of any Environmental Authority made pursuant to Environmental Law is served on or made on either of them in respect of the Land or any Hazardous Substances attributable to the Land, then, as between the Landlord and the Developer, the sole responsibility for complying with such notice or requirement is to rest with the Developer to the exclusion of the Landlord; and

23.1.2 if any Environmental Authority wishes to recover costs incurred by it in carrying out any investigation, assessment, monitoring, removal, remedial or risk mitigation works under Environmental Law in respect of the Land or any Hazardous Substances attributable to the Land from either or both of the Landlord and the Developer then, as between the Landlord and the Developer, the sole responsibility for the payment of such costs is to rest with the Developer to the exclusion of the Landlord.

23.2 The agreements outlined under Clauses 23.1.1 and 23.1.2 are made with the intention that any Environmental Authority serving any notice or seeking to recover any costs should give effect to the agreements pursuant to the statutory guidance issued under Part IIA of the Environmental Protection Act 1990.

23.3 The Landlord and the Developer agree that the appropriate Environmental Authority may be notified in writing of the provisions of this Clause 23 if required to give effect to the agreements outlined under Clauses 23.1.1 and 23.1.2.

23.4 The Developer acknowledges to the Landlord that:-

23.4.1 the Land has been sold with information and it has been provided with reports, surveys and other environmental information prior to the date of this Contract;

23.4.2 such information is sufficient to make the Developer aware of the presence in, on, under or over the Land of any Hazardous Substances referred to in the reports;

23.4.3 it relies at its own risk on the contents of any report, plan and other written material and information either disclosed to it or orally communicated to it by or on behalf of the Landlord both as to the condition of the Land and as to the nature and effect of any remedial works which may have been carried out (including but not limited to those reports referred to in Clause 23.4.1 above) and no warranty is given or representation made by or on behalf of the Landlord in this respect; and

23.4.4 it has satisfied itself as to the condition of the Land.

23.5 Both parties agree that:-

23.5.1 the Developer has been given permission and adequate opportunity to carry out its own investigations of the Land for the purpose of ascertaining whether, and if so the extent to which, Hazardous Substances are present in, on, under or over the Land; and

23.5.2 immediately after completion of the Transfer to the Developer of the Land the Landlord will not retain any interest in the Land or any rights to occupy or use the Land.

23.6 The acknowledgements in this Clause 23 are made in order to exclude the Landlord from liability under. Part IIA of the Environmental Protection Act 1990 so that the Landlord is not an appropriate person, as defined therein.

23.7 The obligations and liabilities of the Developer contained or referred to in clauses 23.1, 23.2, 23.3, 23.4, 23.5, 23.6 and 23.7 are subject to the Landlord complying with the following:-

23.7.1 if the Environmental Authority shall at any time serve any notice or make any requirement on either the Landlord or the Developer or commence any proceedings in respect of the Land or any Hazardous Substances attributable to the Land or any other person shall give notice or make any claim or commence any proceedings in respect of the Land or any Hazardous Substances attributable to the Land then and in each and every such case the Developer shall:-

(a) promptly notify the Developer of the same and supply fully details and all documents;

(b) allow the Developer to receive copies of all notices and claims and to join in the Developer to any proceedings; and

(c) not agree, admit, compromise or settle any claims, requirements or proceedings without the prior consent of the Developer (such consent not to be unreasonably withheld or delayed);

23.7.2 the Landlord and the Developer shall take all reasonable steps reasonably required by the other to mitigate and limit and costs and liabilities in relation to the matters described.

24. COMMUNITY INFRASTRUCTURE LEVY

34.1 In this Clause:-

24.1.1 "**Community Infrastructure Levy**" means Community Infrastructure Levy as specified in the CIL Regulations and any levy or duty of a similar nature substituted for it or in addition to it;

24.1.2 "**CIL**" means Community Infrastructure Levy to the extent that it is chargeable by reason of planning permission or otherwise and includes any:-

(a) surcharges and interest charged in addition to it;

(b) payments in kind; and

(c) other moneys validly demanded by a demand notice,

24.1.3 "**CIL Regulations**" means the Community Infrastructure Levy Regulations 2010 as amended from time to time and Assumption of Liability Notice, Charging Authority, Collecting Authority, Commencement of development, Commencement Notice, Demand Notice and Development shall have the same meanings as in the CIL Regulations.

24.2 Insofar as Community Infrastructure Levy is chargeable as a result of the Development, the Developer shall before Commencement of the Development:-

24.2.1 submit a valid Assumption of Liability Notice;

24.2.2 submit a valid Commencement Notice; and

24.2.3 provide copies of these notices and acknowledgments as soon as reasonably practicable to the Landlord.

24.3 The Developer shall:-

24.3.1 not withdraw the Assumption of Liability Notice nor transfer assumed liability to pay CIL to another party;

24.3.2 not commence the Development until it has paid to the Collecting Authority the CIL due (if any) in the amount(s) required by:-

(a) any Demand Notice;

(b) any separate demand for surcharge or interest charged in addition to the CIL,

24.3.3 following each payment of CIL give written confirmation to the Landlord of such payment.

25. EXCLUSION OF THE LANDLORD AND TENANT ACT 1954

25.1 The Developer confirms that prior to entering into this Lease, or being contractually bound to do so:-

25.1.1 the Landlord served on the Developer a notice complying with the requirements of section 38A(3) of the 1954 Act;

25.1.2 the Developer, or a person duly authorised by the Developer, made a statutory declaration (the "Tenant's Statutory Declaration") complying with the requirements of

Schedule 2 to the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003.

25.2 Where the Tenant's Statutory Declaration was made by a person other than the Developer, the Developer confirms that the declarant was duly authorised to make the Tenant's Statutory Declaration on the Developer's behalf.

25.3 The Landlord and the Developer agree that sections 24 to 28 (inclusive) of the 1954 Act shall be excluded in relation to the tenancy created by this Lease.

SCHEDULE 1

GRANTS AND RESERVATIONS

PART 1

GRANTS

1. A right of way (until the same is 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 Site Access.

2. A right (until adoption) to the free passage of water and soil, gas and electricity, telephone, radio or television signals through the Estate Common Services now or in the future running through, in, under or over, or attached to, the Adjoining Land together with the right to enter the Adjoining Land to make and lay such services and the right to inspect, clean, reconstruct, divert, alter, maintain or connect into such Estate Common Services until they have been adopted, such entry to be on the following terms:-

2.1 entry may take place only at times to be agreed with the Landlord (except in an emergency) such agreement not to be unreasonably withheld or delayed;

2.2 entry shall otherwise be subject to such reasonable conditions as the Landlord may reasonably require;

2.3 entry may only be over such parts of the Adjoining Land as may be necessary in order to carry out the Development and are approved by the Landlord acting reasonably 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.

3. A right of access with or without workmen over such parts of the Adjoining land as may be necessary in order to carry out the Development and are approved by the Landlord acting reasonably 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 of support and protection from the Adjoining Land for the Land.

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 constructed (now or in the future) upon the Land and a right to connect into all such roads and footpaths from the Adjoining 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 create new, 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) the person so entering

causing as little damage as possible and as soon as reasonably possible making good any damage done.

4. All other rights of entry given to the Landlord referred to elsewhere in this Lease.

5. The right to enter upon all such parts of the Land as may be appropriate for any other reasonable purpose connected with the Development and/or the development of the Adjoining Land.

6. 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.

PROVIDED THAT anyone exercising any of the above rights shall do so (save in emergency) on giving reasonable prior notice to the Developer and shall make good any physical damage caused to the Land and such rights may not be exercised over any part of the Property on which a building or other permanent structure has been or is constructed or the curtilage of any Dwelling in existence.

SCHEDULE 2

PRACTICAL COMPLETION AND TRANSFER OF THE FREEHOLD INTEREST TO THE DEVELOPER

1. INTERIM COMPLETION AND PRACTICAL COMPLETION OF EACH PART OF THE DEVELOPMENT

1.1 The Developer shall not less than ten Working Days before the date on which it expects each Certificate of Practical Completion to be issued by the Architect give written notice thereof to the Landlord in order that a joint inspection of the Development may be arranged.

1.2 Within five Working Days of the date of issue of the notice referred to in clause 1.1 the Architect the Landlord (and/or its duly authorised representative) and the Developer shall jointly inspect the Development.

1.3 The Developer shall procure that the Architect shall have regard to all reasonable representations made by or on behalf of the Landlord in considering whether to issue a Certificate of Practical Completion.

1.4 If the Architect considers that Practical Completion:-

1.4.1 has occurred the Developer shall procure that the Architect issues a Certificate of Practical Completion; or

1.4.2 has not occurred the Developer shall procure that the Architect notifies the Parties to this effect in writing and provides a list of all outstanding works to both the Landlord and the Developer.

1.5 Where Clause 1.4.2 applies the Developer shall procure that all the outstanding works are diligently carried out until Practical Completion and the procedure set out in this Clause 1.5 shall be repeated as often as is necessary.

2. TRANSFER OF THE FREEHOLD INTEREST TO THE DEVELOPER

2.1 (Subject to payment of the whole of the Premium in accordance with Clause 4 of this Lease) the Landlord shall transfer the freehold interest in the first Block on the Land to be Practically Complete to the Developer on the date which is 20 Working Days after the issue of the relevant Certificate of Practical Completion in accordance with this Schedule on the following terms:-

2.1.1 the form of transfer shall be substantially in the form of the Transfer attaching the plan of the Block and populating any blanks within the form of Transfer;

2.1.2 the form of transfer shall be executed by the parties in duplicate;

2.1.3 the Landlord need not deduce title (having already deduced title to the Tenant before completion of this Lease), nor answer any requisitions or enquiries (whether raised by the Tenant or any other person);

2.1.4 the Tenant shall send the form of transfer (in duplicate) to the Landlord, executed by the Tenant not less than 10 working days before the anticipated date for completion of the transfer;

2.1.5 on completion of the transfer the Developer and the Landlord will also enter into an Overage Deed;

2.1.6 if the Overage Deed cannot be completed at the appropriate time, the party in default will be deemed not to be ready, able and willing to complete;

2.1.7 on completion of the transfer the Developer will also enter into a deed of covenant in the form required by clause 12.6 of the Fareham Transfer and provide to the Landlord together with an undertaking from the Tenant's Solicitors to send it to the "Transferee" or the "Transferee's successors" (as applicable) as defined in the Fareham Transfer.

2.2 (Subject to paragraph 2.3 below) the Landlord shall transfer the freehold interest in each subsequent Block on the Land to be Practically Complete to the Developer on the date which is 20 Working Days after the issue of the relevant Certificate of Practical Completion in accordance with this Schedule on the following terms:-

2.2.1 the form of transfer shall be substantially in the form of the Transfer attaching the plan of the Block (and in the case of the final transfer, any other land being transferred under paragraph 2.3 of this Schedule) and populating any blanks within the form of Transfer;

2.2.2 the form of transfer shall be executed by the parties in duplicate;

2.2.3 the Landlord need not deduce title (having already deduced title to the Tenant before completion of this Lease), nor answer any requisitions or enquiries (whether raised by the Tenant or any other person);

2.2.4 the Tenant shall send the form of transfer (in duplicate) to the Landlord, executed by the Tenant not less than 10 working days before the anticipated date for completion of the transfer;

2.2.5 on completion of the transfer the Developer and the Landlord will also enter into an Overage Deed.

2.2.6 if the Overage Deed cannot be completed at the appropriate time, the party in default will be deemed not to be ready, able and willing to complete.

2.2.7 on completion of the transfer the Developer will also enter into a deed of covenant in the form required by clause 12.6 of the Fareham Transfer and provide to the Landlord together with an undertaking from the Tenant's Solicitors to send it to the "Transferee" or the "Transferee's successors" (as applicable) as defined in the Fareham Transfer.

2.3 The transfer of the final Block on the Land will also comprise all and any remaining part of the Land not previously transferred to the Developer pursuant to this Schedule.

2.4 Following completion of each transfer the Landlord and the Developer shall procure that each counterpart Overage Deed and transfer duly executed by each of them are delivered to the other party's solicitors.

2.5 If Practical Completion is effected in relation to the whole of the Land at once rather than on a Block by Block basis the provisions of this Schedule will apply to the transfer of such Land mutatis mutandis and the form of Transfer will be amended to reflect this.

SCHEDULE 3

DEVELOPER'S COVENANTS AND OTHER PROVISIONS RELATING TO THE DEVELOPMENT

PART 1

GENERAL

3. PRE-DEVELOPMENT MATTERS CONSENTS AND AGREEMENTS

3.1 No work of any nature forming part of the Development shall commence until:-

3.1.1 a pre-commencement meeting has been held between the Developer and the Landlord's Representative (or other officer nominated for such purposes by the Landlord) to enable the Developer to be briefed on and issued with the Landlord's development regulations (and it shall be the responsibility of the Developer to request and arrange such meeting) but the Landlord shall procure that the Landlord's Development Representative attends such meeting promptly following a meeting request from the Developer;

3.1.2 the Developer has produced to the Landlord's Representative (or other officer nominated for such purpose by the Landlord):-

(a) the Sewers Technical Approval;

(b) copies of all working drawings for construction, specifications drawings and other documents forming part of such approvals and the Landlord shall procure that the Landlord's Representative confirms whether the Developer's approvals are acceptable within 15 Working Days of receiving the same;

3.1.3 the Developer has given to the Landlord's Representative (or other officer nominated for such purpose by the Landlord) not less than 10 Working Days' notice of its intention to commence the Development;

3.1.4 the Developer has complied with any other requirement to be complied with before the Commencement Date under the provisions of this Lease;

3.1.5 the Developer has given to the Landlord's Representative a copy of the notice that it gives to the Health and Safety Executive under Schedule 1 of the CDM (as referred to in paragraph 14 of this Schedule); and

3.1.6 all matters to be complied with under any Planning Agreement prior to commencement of such work have been complied with.

3.2 The Developer covenants with the Landlord that the Professional Team shall continue to be appointed on the terms of the Professional Team Appointments and Building Contractor shall continue to be appointed on the basis of the Building Contact and certified copies of the Professional Team Appointments and Building Contract have been supplied to the Landlord.

4. CONSENTS AND AGREEMENTS

4.1 The Developer must within the period of six months from the date of this Lease (or such extended period as the Developer and the Landlord may agree) use all reasonable endeavours to:-

4.1.1 obtain all permissions and consents required by all Planning Acts in relation to the Development;

4.1.2 obtain consent under the building regulations for the Development in accordance with the requirements of the Building Act 1984;

4.1.3 obtain all other permissions and consents required to carry out the Development;

4.1.4 obtain (to the extent not already obtained) the Landlord's approval (not to be unreasonably withheld or delayed) of the External Design Details and ensure that the approved External Design Details are incorporated into the Development.

4.2 As soon as reasonably practicable after the date of this Lease the Developer shall:-

4.2.1 (if applicable) enter into an agreement with the highway authority pursuant to Section 278 of the Highways Act 1980 in respect of connecting the Land to any adopted highway abutting the Land and procure any bond or guarantee required by the highway authority in connection with any such agreement;

4.2.2 enter into an agreement with the water authority pursuant to Section 104 of the Water Industry Act 1991 in respect of the construction and adoption of the sewers serving the Development and procure any bond or guarantee required by the water authority in connection with such agreement.

4.3 Save to the extent that a Certificate of Practical Completion has been issued (and not without the Landlord's prior approval such approval not unreasonably withheld or delayed) the Developer must not submit an application for any permission or consent.

4.4 The Developer may not implement any permission or consent each of the matters referred in paragraph 4.1 shall be in accordance with the Approved Plans.

4.5 The Developer covenants with the Landlord to observe perform and comply with all the obligations on its part contained in any document referred to in paragraph 4.1.

5. BOUNDARY FENCES

5.1 If commencing the Development, the Developer must erect along all boundaries of the Land fences and hoardings in accordance with the Landlord's specification contained in the Approved Plans (but in any event being not less than 2 metres in height and being in accordance with the Health and Safety Executive's, or other competent body's, recommendations) and to maintain the same in position and good repair throughout the Development.

5.2 If the Developer shall commence work on the Development without first having erected all fences required under paragraph 5.1 then the Landlord shall have the right without notice to enter upon the Land in order to erect any such fences along the boundaries of the Land (including the right to take down and erect any fences erected by the Developer in an incorrect position, whether on the Land or on adjoining land) and the cost of all such works undertaken by the Landlord (including any works of reinstatement to adjoining land) shall be paid by the Developer to the Landlord on demand.

6. SIGNAGE DURING CONSTRUCTION

The Developer shall ensure that all promotional events for the Development are notified in writing in advance to the Landlord and that marketing material in respect of the Development acknowledges the Landlord's role in providing assistance and the Developer will not issue any material until the manner in which and the wording by which such acknowledgement to be given shall have been given the prior approval by the Landlord, such approval not to be unreasonably withheld or delayed.

7. **SITE ACCESS**

7.1 Access to the Land for construction traffic and any other vehicles must be via the Site Access and no other roadway and the Developer must ensure that anyone driving to the Land is aware of this.

7.2 Before commencing the Development, the Developer must lay a sufficient length of access road of adequate construction on the Land to the satisfaction of the Landlord (acting reasonably) before commencing construction work on other aspects of the Development so as to facilitate compliance with the provisions of this Lease relating to protection and cleaning of roads.

7.3 Before commencing the Development, the Developer must erect across the Site Access at every point of permitted vehicular access to the Land a substantial height gauge the top bar of which shall not be more than sixteen feet above ground level at points within the boundaries of the Land not less than five metres from such points of access each such height gauge to incorporate a warning notice which shall read "No loads over 16 feet to proceed" and thereafter to maintain the same until completion of the Development.

7.4 If carrying out the Development, the Developer must ensure that no loads over 16 feet in height shall leave the Land.

8. **TEMPORARY VEHICLE PARKING**

8.1 If commencing the Development the Developer must maintain during the Development to the satisfaction of the Landlord a temporary vehicle park for all vehicular traffic used in the course of construction including sub contractor's and operatives' private vehicles and shall remove the same and make good the Land at Practical Completion.

8.2 The proposed layout of the vehicle park together with construction details shall be provided by the Developer as soon as reasonably practicable.

8.3 The Developer must not park or permit or suffer to be parked construction plant vehicles and private vehicles on highways and highway verges outside the Land except with the express written consent of the Landlord.

9. **COMPLETION OF DEVELOPMENT**

9.1 If carrying out the Development the Developer must carry out and complete the Development in a good and workmanlike manner in accordance with the Planning Permission and the Approved Plans;

9.2 The Developer shall use all reasonable endeavours to ensure that no Deleterious Materials are used in any works or materials used comprised in or relating to the Development.

9.3 If carrying out the Development the Developer shall comply with all Planning Agreements affecting the Land (and where relevant the Adjoining Land in so far as they relate to the Development) including the payment of all sums payable thereunder and the discharge of all obligations thereunder at the times stated therein 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 the Planning Agreements.

9.4 Any Highways and Common Services to be constructed by the Developer which are to connect to any existing highway network on the Adjoining Land shall be constructed in accordance with all applicable Enactments and the Approved Plans (including in the case of highways, being finally surfaced) and maintained until adopted by the local

highways authority (or such later date on which the local highways authority shall assume responsibility for maintenance and repair).

10. **APPROVED PLANS**

10.1 The Developer must not erect or build or permit or suffer to be erected or built on the Land any building, structure or erection otherwise than in conformity with planning permission and the Approved Plans.

10.2 Within twenty eight days after the service of a notice requiring the Developer so to do the Developer must commence to take down and remove all work or materials which shall not be in accordance with the Approved Plans and also within such reasonable time as may be specified in a notice requiring the Developer so to do the Developer must repair and make good defects or omissions to the Development or any part or parts thereof in accordance with the provisions of this Lease.

11. **LANDLORD'S RIGHTS TO VIEW ETC AND REMEDY BREACHES**

11.1 Following commencement of the Development the Developer must permit the Landlord by its servants or agents to enter upon the Land at all reasonable times (or at any time in an emergency) for any reasonable purpose (subject to complying with such safety and security precautions as may be in force from time to time at the Development), including:-

11.1.1 to view the state of progress of the Development and the materials used and intended for use in connection therewith;

11.1.2 ascertaining whether the obligation of the Developer under this Lease or any other document have been observed and performed; and

11.1.3 to exercise the rights excepted and reserved.

11.2 Within one month of the Landlord notifying the Developer of any breach of the Developer's covenants under this Lease (or sooner if reasonably required by the Landlord) to remedy the same and if the Developer shall default in doing so it shall be lawful for the Landlord to enter the Land to remedy any such breach and all proper and reasonable costs and expenses thereby incurred shall be paid by the Developer to the Landlord on demand as a debt due to the Landlord.

12. **COMPLIANCE WITH ENACTMENTS**

12.1 If carrying out the Development the Developer must do all acts and things required by, and conform in all respects with, the provisions of any Enactments applicable to the Development (which for the avoidance of doubt shall include the provisions of Section 57 of and Schedule 22 to the Environment Act 1995) and in particular to comply with:-

12.1.1 the lawful requirements of any statutory undertakers in respect of electricity, gas, water, telephone or other public services; and

12.1.2 the conditions imposed by any agreements, licences, permissions and approvals for development or use granted in relation to the Land and the Development.

12.2 The Developer must not do anything which may result in the Landlord incurring or becoming liable to pay any penalty, damage, compensation, costs, charges or expenses.

13. **COMPETENT AUTHORITIES**

13.1 In this paragraph **"Competent Authority"** means any government body, the Environment Agency, court, tribunal or other body deriving power under Environmental Law.

13.2 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 Developer shall have full responsibility for any and all such liabilities.

13.3 It is hereby acknowledged and intended by the parties that paragraph 13.2 is an agreement on liabilities for the purposes of Part IIA.

13.4 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.

13.5 The parties undertake to furnish the Competent Authority with a copy of this Lease as soon as is reasonably practicable after receiving a note from the Competent Authority or a notification under sub-paragraph 13.2 and individually to agree to the application of sub-paragraph 13.3 and to confirm such individual agreement in writing to the Competent Authority following receipt of such notice or notification.

13.6 The parties hereby undertake to use all reasonable endeavours to ensure that the Competent Authority applies the agreement on liabilities set out in sub-paragraph 13.2.

13.7 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.

14. **CDM REGULATIONS**

14.1 The Developer accepts that it is a client as defined by the Construction (Design and Management) Regulations 2015 (as amended from time to time) (**"CDM"**) and warrants that it is and will at all times remain competent to carry out the role of a client under CDM.

14.2 The Developer accepts that it will act as the only client in respect of the Development and the Developer hereby elects to be the only client under CDM for the Development.

14.3 The Landlord agrees to the election of the Developer as the only client for the Development for the purposes of CDM.

14.4 The Developer shall comply fully with all the obligations of the client under the CDM including the requirement to notify the Health and Safety Executive of the particulars specified in Regulation 6 and Schedule 1 of the CDM and will contemporaneously provide a copy of the notification to the Landlord. The Developer hereby agrees that no work shall commence on site until the Landlord has received this notification.

14.5 The Developer shall not seek to withdraw, terminate or in any manner derogate from such election without the Landlord's prior written consent, which the Landlord may in its absolute discretion withhold.

14.6 The Developer shall ensure that any and all parties engaged in respect of the procurement and/or undertaking of the works comprised in the Development are aware of the terms of the Developer's election as only the client for the purposes of CDM.

15. **HEALTH & SAFETY**

15.1 The Developer shall at all times comply with all obligations, requirements and duties arising under Health and Safety legislation in connection with the works comprising the Development.

15.2 The Developer shall at all times procure the compliance with all obligations, requirements and duties arising under Health and Safety legislation by any and all parties appointed in connection with the works comprising the Development or allowed on the Land.

15.3 The Developer shall maintain an accurate record of all health, safety and environmental incidents which occur on or in connection with the Development.

15.4 The Developer shall notify the Landlord's Representative immediately on the occurrence of any of the following events which arise out of or in connection with the Development:-

15.4.1 a fatal accident to any worker or a member of the public;

15.4.2 any injury to a member of the public requiring reporting under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 (as amended from time to time) ("**RIDDOR**");

15.4.3 any dangerous occurrence, as defined by RIDDOR;

15.4.4 the service of any improvement or prohibition notice under the Health & Safety at Work etc Act 1974;

15.4.5 any incident having health & safety implications which attracts the attention of the police and/or the media; and

15.4.6 the commencement of any criminal prosecution under the Health & Safety at Work etc Act 1974.

15.5 The Developer will comply with Schedule 4.

16. **INSURANCE**

If carrying out the Development the Developer must:

16.1 insure, or cause to be insured, at all times during the carrying out of the Development any buildings erected on the Land (Insurable Premises) in a sum sufficient to cover the cost of completely reinstating the same in the event of total destruction together with architects' and surveyors' fees and other expenses incidental thereto against loss or damage by fire, lightning, explosion, storm, tempest, flood, bursting or overflowing of water tanks, apparatus or pipes, earthquake, aircraft and other aerial devices or articles dropped therefrom, riot and civil commotion in an insurance office to be approved by the Landlord (such approval not to be unreasonably withheld or delayed) and to ensure that the Landlord's interest is noted on the policy or policies of insurance;

16.2 pay or cause to be paid, all premiums and other monies necessary for effecting such insurance;

16.3 whenever required, produce to the Landlord the policy or policies of such insurance and the last receipt for every premium or other monies;

16.4 (in the event of the Insurable Premises or any part thereof being destroyed or damaged as aforesaid) secure that all monies payable by virtue of such insurance

shall with all convenient speed be laid out and applied in rebuilding or otherwise reinstating the same in a good and substantial manner in accordance with the terms of this Lease and (in case the same shall be insufficient for that purpose) make up the deficiency out of its own monies;

16.5 not do, or permit to be done, upon the Land anything which may render the policy or policies of insurance void or voidable;

16.6 indemnify the Landlord (notwithstanding any supervision or approval of the Landlord or any person acting on behalf of the Landlord) and insure in an insurance office approved by the Landlord (such approval not to be unreasonably withheld or delayed) in the sum of £5,000,000) against any liability, loss, claim or proceedings in respect of any injury or damage whatsoever caused to any person or to any property real or personal in so far as such injury or damage arises out of, or in the course of, or by reason of, the negligent execution of the Development.

17. PROTECTION OF HIGHWAYS

17.1 The Developer must:-

17.1.1 not deposit any building or other materials within two metres of any Highway outside the Land;

17.1.2 comply with all reasonable instructions of the local highway authority and the police given to prevent any congestion of, or hazard to, traffic and in any event arrange for the delivery and removal of all materials to and from the Land with as little inconvenience to pedestrians and traffic as possible;

17.1.3 at all times protect all Highways outside the Land against damage arising (and take all necessary or proper precautions for the protection of any person on any Highway against injury arising) by vehicles employed in connection with the Development and forthwith make good any such damage at the expense of the Developer in the event that the perpetrator of such damage does not maintain or repair the same;

17.1.4 at all times keep all Highways outside the Land free from mud, dirt, debris and other deleterious matter to the satisfaction of the Landlord (acting reasonably) and ensure that all vehicles leaving the Land are clean and properly loaded;

17.1.5 to provide in any contract for the carrying out of the Development or any part or parts thereof a provision requiring the contractor under such contract to comply with the terms of paragraphs 17.1.1, 17.1.2, 17.1.3 and 17.1.4.

17.2 If the Developer fails to carry out any work necessary for compliance with the provisions of this paragraph 15 within 10 Working Days of having received written notification of such default the Landlord may undertake the same and the Developer must forthwith on demand repay to the Landlord the proper cost of so doing which cost shall be recoverable by the Landlord from the Developer as a liquidated debt.

18. MAINTENANCE OF HIGHWAYS

18.1 The Developer must maintain all Highways constructed by the Developer in good repair until (if applicable) adoption by the highway authority or transferred to the Management Company.

18.2 If the Land is transferred to the Developer prior to the surface of the Highways forming part of the Development having been fully completed to adoptable standards, the Developer must ensure that such works are completed as soon as practicable.

19. **SEWERS, DRAINS AND OTHER CONDUITS**

If carrying out the Development the Developer must:-

19.1 lay out and construct to the satisfaction of the Landlord proper and sufficient branch and connecting sewers, drains, shafts, traps, gullies and gratings and to drain such branch and connecting sewers and drains into public sewers;

19.2 liaise with the Landlord in connection with the overall programming for the provision of services and comply with all reasonable instructions issued by it to ensure the smooth progress of the Development and appropriate interface with any proposed or future works on any Adjoining Land;

19.3 protect all pipes, ducts, cables and statutory undertakers' apparatus against damage as a result of carrying out the works;

19.4 take all necessary precautions to ensure the protection of all streams, waterways, surface water, sewers and drains against pollution as a result of carrying out the works and any temporary diversions of existing streams, waterways, sewers or other works must be carried out so as not to reduce the capacity of that stream, waterway, sewer or other works and to the satisfaction of the Landlord (acting reasonably);

19.5 ensure that the Common Services are not blocked and that any connection to an Estate Common Service is effected with the approval of the Landlord (not to be unreasonably withheld or delayed) or, where appropriate, the relevant statutory undertaker;

19.6 maintain all Common Services constructed by the Developer until adoption by the relevant statutory undertaker or transferred to the Management Company.

20. **MAINTENANCE UNTIL COMPLETION**

Until Practical Completion of the whole of the Development (as defined in the Building Contract) the Developer must keep and maintain the Land and all parts of the Development in a neat and tidy condition so far as may be reasonable and prevent so far as may be reasonably practicable any matters or things which may be unnecessarily unsightly or offensive visually or otherwise on an industrial estate development.

21. **ARCHAEOLOGY**

All fossils, coins, articles of value or antiquity and structures or other remains or things of prehistoric, geological or archaeological interest ("**Archaeological Finds**") discovered on the Land during the Development shall be the property of the Landlord and the Developer must:-

21.1 not conceal, remove or damage or permit to be concealed, removed or damaged any Archaeological Finds;

21.2 promptly on discovery of any Archaeological Finds notify the Landlord and the archaeology officer of the Council (or other local archaeology authority);

21.3 allow (upon such reasonable terms as may be agreed with the Developer) officers and agents of the Landlord and of the Council (or other local archaeology authority) with or without workmen and plant to enter the Land for the purpose of appraising, recording and removing the Archaeological Finds;

21.4 reimburse to the Landlord or to the Council (or other local archaeology authority) or to any third party authorised by either of them costs incurred in the emergency recording of any significant Archaeological Find made during the Development.

22. **GRAVEL ETC**

The Developer may use for the purpose of the Development any substances which may be excavated in the proper execution of such works without making any payment for such substances to the Landlord or to any person) Provided Always that where such earth, clay, gravel or sand is not required by the Developer for the purposes of the Development the Developer must not sell or dispose of such earth, clay, gravel or sand or permit or suffer any of the same to be removed from the Land without the prior approval of the Landlord (which is not to be unreasonably withheld or delayed) and such payments received by the Developer on its disposal shall be paid to the Landlord.

PART 2

SITE SPECIFIC OBLIGATIONS

None

SCHEDULE 4

HEALTH AND SAFETY REPORTS

1. The Developer shall provide to the Landlord on a quarterly basis a Health and Safety Report containing the information relating to health and safety performance. As a minimum the Health and Safety Report will contain the following information:-

1.1 Accident incidence rates per 100,000 workers ("AIR") involved in the works associated with the Development, listing by month and rolling annual frequency rate for the lifetime of the works comprising the Development:-

1.1.1 accidents resulting in greater than three days lost time;

1.1.2 major injuries;

1.1.3 fatalities; and

1.1.4 reportable diseases,

all as defined by the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 (as amended from time to time), in accordance with the formula:-

AIR = (A/N) x 100,000

where: A = the number of accidents or incidents of the defined type during the period

N = the average number of workers on the site during the period

1.1.5 reportable injuries to members of the public;

1.2 A listing in respect of the works comprising the Development by month, and the rolling annual rate, showing the number of:-

1.2.1 days lost due to accidents occurring on the Land or ill-health incurred by workers directly from the said works on the Land;

1.2.2 dangerous occurrences as defined by the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 (as amended from time to time);

1.2.3 enforcement notices served by the regulatory authorities served by the Health & Safety Executive;

1.3 A summary in respect of the works comprising the Development of:-

1.3.1 all accident investigations carried out in the relevant quarterly period;

1.3.2 all actions taken to rectify any identified health and safety deficiencies;

1.3.3 all initiatives to improve health and safety undertaken in the period (e.g. site inspections, tool box talks etc);

1.3.4 all visits by the Health & Safety Executive, the Police or the Environment Landlord to the Land undertaken in the relevant quarterly period.

SCHEDULE 5

OVERAGE

1. **DEFINITIONS**

1.1 In this deed unless the context otherwise requires the following expressions shall have the following meanings:-

"Act of Circumvention" means any transaction or series of transactions entered into by the Developer with any person or persons the principal purpose or purposes of which is or are to depress or reduce the level of any Change of Use Overage Payment as defined below, due under this Schedule

"Base Value" means:-

(i) the value of the Land (on the part having the benefit of a planning permission pursuant to a Planning Application) on the day prior to the Change of Use Date as is regarded by the possibility of a Further Permission ("**First Base Value**");

(ii) in respect of each subsequent Change of Use Dates – the Open Market Value as at the previous Change of Use Date and "**relevant Base Value**" shall be construed accordingly

"Change of Use Date" means a date that a Further Permission is obtained and "**relevant Change of Use Date**" shall be construed accordingly

"Change of Use Overage Payment" means each and every payment calculated pursuant to paragraph 2 below

"Further Permission" means each and every planning permission for the use or development of the Land or any Unit within that Land or any part of it (together with other property where relevant) for any use other than for use within Use Classes B1, B2 and/or B8 of the Town and Country Planning (Use Classes) Order 1987 (as at the date of this Lease) and "**relevant Further Permission**" shall be construed accordingly

"Open Market Value" means in relation to a Change of Use Overage Payment the open market value of the whole of the Land or Unit (or part thereof) as the case may be as at the relevant Change of Use Date with the benefit of the relevant Further Permission and otherwise determined in accordance with the relevant practice statement of the RICS – Valuation Professional Standards of if no longer in existence or applicable at the time of valuation, such equivalent valuation guidance recommended by the Royal Institution of Chartered Surveyors

"Payment Date" means 28 days after any Further Permission is implemented

"Planning Application" means an application for planning permission which will result (as the may be) in a change of use in respect of the

	Land or Unit from the then permitted use
"Relevant Period"	means the period of 25 years from and including the date of this Lease

2. CHANGE OF USE OVERAGE PAYMENT

2.1 Following each Change of Use Date, the Developer shall pay a Change of Use Overage Payment to the Landlord on each relevant Payment Date.

2.2 Each Change of Use Overage Payment shall be 50% of the difference between the relevant Base Value and the Open Market Value immediately after the grant of the relevant Further Permission which has triggered the relevant Change of Use Date.

2.3 The Developer shall within 10 working days of obtaining a Further Permission send a copy of the Further Permission, the Developer's valuation of the Open Market Value and the Developer's calculation of the relevant Change of Use Overage Payment to the Landlord for approval.

2.4 The Landlord shall be entitled to obtain its own valuation of the Open Market Value as at the relevant Change of Use Date.

2.5 If any amount calculated under paragraph 2.2 is a negative amount then the relevant Overage Payment shall be nil.

2.6 If the Developer does not pay a Change of Use Overage Payment on the relevant Payment Date then it shall pay such Change of Use Overage Payment with Interest for the period commencing on the relevant Payment Date and ending on the date payment is actually received by the Landlord.

2.7 Any sums payable by the Developer to the Landlord under this paragraph 2 shall be exclusive of VAT which shall where it is chargeable be paid in addition to the relevant sum at the time when the sum is due to be paid.

3. DISPUTE RESOLUTION

In the event that any Change of Use Overage Payment has not been agreed or in the absence of agreement in respect of the relevant Open Market Value within 30 working days after the relevant Change of Use Date then either the Landlord or the Developer may require that the determination of the same be referred to an independent chartered surveyor under Clause 12 of the Lease.

4. RESTRICTIONS

4.1 The Developer shall not sell transfer charge or otherwise dispose of the Land or any part of it during the Relevant Period except in compliance with Clause 7 of this Lease and in any event unless the following requirements are satisfied:-

4.1.1 the transferee/chargee must first enter into a deed of covenant with the Landlord (in such form as the Landlord may reasonably require) in which the transferee/chargee covenants with the Landlord:-

(a) to observe and perform the covenants and obligations on the part of the Developer contained in this Schedule (including this paragraph 4 relating to any Change of Use Overage Payment); and

(b) to apply to the Land Registry to enter a restriction in the registered title for the Unit in the terms set out below.

4.1.2 where the transfer/charge is made after a Payment Date has occurred, the relevant Change of Use Overage Payment must first be paid prior to completion of the transfer/charge.

4.2 The Developer will apply to the Land Registry for the entry of a restriction against its title to the Lease in Land Registry Form RX1 as set out below and will procure that the proprietor of any registered charge applies for a similar restriction against its charge.

"No disposition of the Registered Land (other than a charge) by the Proprietor of the registered estate or by the proprietor of any registered charge is to be registered without a certificate signed by the conveyancer acting for the Homes and Communities Agency confirming that the provisions of paragraph 4.1 of Schedule 5 of a lease dated the [16] day of [February] 201[6] have been complied with or confirming that they do not apply to the disposition"

5. MISCELLANEOUS

5.1 The Developer covenants with the Landlord not to enter into any Act of Circumvention and not to assist cause or permit any other party to enter into such Act of Circumvention.

5.2 The Developer agrees that it shall act in the upmost good faith in relation to this Schedule.

5.3 No partnership has been created or is intended to be created between the parties.

6. PLANNING OBLIGATIONS

6.1 The Developer shall as soon as practicable keep the Landlord informed in writing of all development and any change of use proposed in relation to the Land or Unit (as the case may be).

6.2 Any Planning Application pursuant to which this Schedule shall apply, shall, if the Premium has been paid to the Landlord before such date, be submitted to the Landlord for approval such approval not to be unreasonably withheld or delayed. If the Premium has not been received in full by the Landlord, the Landlord shall be entitled to withhold its approval at its discretion.

6.3 Other than a Planning Application made in accordance with this Lease no application for planning permission shall be made in respect of the Land by or on behalf of the Tenant.

6.4 In complying with its obligations in this paragraph 6 the Developer will:-

6.4.1 keep the Landlord fully informed of the progress of all Planning Applications;

6.4.2 give reasonable prior notice to the Landlord of any meetings with the Local Planning Authority so as to allow them to attend at such meetings and to participate at them;

6.4.3 have due regard to the requirements of the Landlord;

6.4.4 promptly following receipt supply the Landlord with copies of any Planning Application and any Further Permission;

6.4.5 notify the Landlord within 3 working days of the receipt of any planning decision in relation to a Planning Application (whether an original amended resubmitted or additional application); and

6.4.6 promptly notify the Landlord of any proposal as to the amending resubmission of or, the making of any additional Planning Application.

SCHEDULE 6

LANDLORD'S OPTION TO PURCHASE

1. INTERPRETATION

For the purposes of this Schedule, the following terms will have the following meanings:-

"Assurance"	means the transfer of the Land to the Landlord to be executed pursuant to the provisions of this Schedule and if the Landlord so require this may take the form of a deed of surrender of this Lease
"Completion Date"	means that date 10 Working Days after the date on which the Landlord serves a Trigger Notice on the Developer
"Developer's Solicitors"	means Blake Morgan LLP of New Kings Court Tollgate Chandlers Ford Eastleigh Hampshire SO53 3LG (Ref: ADP/562671/23) or such other firm as the Developer may nominate by notice in writing to the Landlord or the Landlord's Solicitors for the purposes of this Schedule 6
"Development End Date"	means either:- (a) the date that is 30 months after the Commencement Date; or (b) if the Landlord has served a notice pursuant to paragraph 3.1 then unless paragraph 3.6 applies, the date which is 12 months after the date of service of such Landlord's notice
"Enquiry Replies"	means any written replies given by the Developer's Solicitors in reply to written questions or enquiries made by the Landlord's Solicitors in relation to the Land
"Group"	has the meaning given in section 42 of the Landlord and Tenant Act 1954
"Landlord's Solicitors"	means Pinsent Masons LLP of 3 Colmore Circus, Birmingham B4 6BH or such other firm as the Landlord may nominate by notice in writing to the Developer or the Landlord's Solicitors for the purposes of this Schedule
"Land"	means such of the Land as remains subject to this Lease
"Option"	means the option granted by the Developer in paragraph 2.1
"Option Period"	has the meaning given in paragraph 2.2
"Permitted Chargee Notice"	means a notice pursuant to paragraph 3.1 of this Schedule
"Planning Acts"	means the statutes and statutory instruments from time to time in force relating to town and country planning

"Price"	means £1
"Representation"	means any written, oral or implied representation, warranty, confirmation or statement in relation to the Land or to any matter contained or referred to in this Schedule made by or on behalf of the Developer to the Landlord or to any agent, adviser or other person acting for the Landlord
"Standard Commercial Conditions"	means the Standard Commercial Property Conditions (Second Edition) and any reference to a Standard Commercial Condition shall be construed accordingly and have the same meaning as the expression "**condition**" in the Standard Commercial Conditions
"Title Documentation"	means copies of the Land Registry entries and other copy documents (as appropriate) in respect of the Land including a copy of this Lease
"Trigger Date"	means the Development End Date if on that date the Developer has not served on the Landlord the final Certificate of Practical Completion in relation to the Land
"Trigger Notice"	means a written notice served by the Landlord on the Developer confirming that the Trigger Date has arisen and that the Landlord is exercising the Option

2. OPTION

2.1 **Grant of Option**

In consideration of a non-returnable option fee of One Pound (£1.00) now paid by the Landlord to the Developer, of which the Developer acknowledges receipt, the Developer grants to the Landlord an option conferring on the Landlord the right to require the Developer to surrender this Lease and transfer the Land to the Landlord.

2.2 **Option Period**

2.2.1 The Option Period shall commence on the Trigger Date.

2.2.2 The Option Period shall expire upon the date 12 months after the start of the Option Period.

2.3 **Exercise of Option**

2.3.1 Subject to the Option Period having commenced (but notwithstanding paragraph 3) the Option may be exercised during the Option Period by the Landlord serving the Trigger Notice.

2.3.2 Following service of the Trigger Notice the Developer will sell and the Landlord will buy the Land at the Price and upon the terms and conditions contained in this Schedule.

3. PERMITTED CHARGEE

3.1 Not earlier than the date which is 18 (eighteen) months after the date of this Lease the Landlord shall notify the Permitted Chargee (if any) if the Landlord considers in its opinion that the final Certificate of Practical Completion will not be served on the Landlord by the date which is 30 months after the Commencement Date.

3.2 Within 20 Working Days of notification from the Landlord pursuant to paragraph 3.1 if the Permitted Chargee has taken possession as mortgagee, the Permitted Chargee shall confirm in writing to the Landlord whether it:-

3.2.1 proposes to complete the Development in accordance with the terms of this Lease; or

3.2.2 proposes to seek a Suitable Substitute to complete the Development; or

3.2.3 proposes not to complete the Development.

3.3 The Permitted Chargee may (if they wish) indicate in a notice served under paragraph 3.1 that it proposes to take the action specified in paragraph 3.2.1 pending paragraph 3.2.2 above. If the Permitted Chargee has given such an indication and taken the action in paragraph 3.2.1 within the requisite time scale it will be entitled within a period of 3 months from the date of service of the Permitted Chargee Notice to seek a Suitable Substitute to complete the Development and the provisions set out in paragraph 3.4 (other than as to timescale where the provisions of this paragraph 3.3 will apply instead) will apply in relation to any Suitable Substitute proposed during that 3 month period.

3.4 Where the Permitted Chargee informs the Landlord in writing pursuant to paragraph 3.1 that it will complete the Development then the Permitted Chargee shall be bound by the terms of this Lease from the date of that notification (and the Permitted Chargee shall take an assignment of both the benefit and burden of this Lease within a further 20 Working Days after serving that notification) and (subject to any arrangements for curing any antecedent breaches by the Developer and/or extending the terms of the Lease for a reasonable period in order to permit completion of the Development as the Permitted Chargee and the Landlord shall agree, acting reasonably) (or in the absence of agreement as determined by an expert in accordance with Clause 12)) on any breach of the terms of this Lease by the Permitted Chargee following that assignment the Landlord's rights to forfeit as set out in this Lease will apply but without the need to serve a Breach Termination Notice on the Permitted Chargee as set out in Clause 9.

3.5 Where the Permitted Chargee indicates to the Landlord in writing pursuant to paragraph 3.2 that it will seek a Suitable Substitute then within 3 months after serving that notification it must:-

3.5.1 identify that Suitable Substitute;

3.5.2 obtain the Landlord's approval to that Suitable Substitute (such approval not to be unreasonably withheld or delayed); and

3.5.3 procure that the Suitable Substitute enters into an assignment of this Lease and, if at such date the Infrastructure Works are not yet completed, a Deed of Covenant with new arrangements for curing any antecedent breaches by the Developer and such extension of the Timetable and the Development End Date as is reasonable in order to permit the completion of the Development as the Suitable Substitute and the Landlord shall agree, acting reasonably (or in the absence of agreement as determined by an expert in accordance with Clause 12).

3.6 If:-

3.6.1 the Permitted Chargee fails to respond to an Permitted Chargee Notice within 20 Working Days of service; or

3.6.2 their response indicates that they do not wish to complete the Development; or

3.6.3 the Lease is not assigned within the timescale required by paragraphs 3.4 or 3.5 as the case may be.

the Landlord may on the earlier of:-

3.6.4 the expiry of that 20 Working Day period; and

3.6.5 receipt of such response; and

3.6.6 (in the case of paragraph 3.6.3) on expiry of the period for assignment,

treat the Permitted Chargee as not willing to complete the Development and the Landlord's obligations in relation to contacting the Permitted Chargee for the purposes of this Schedule will be treated as having been fully performed.

4. TITLE

4.1 Title guarantee

The Land is transferred with full title guarantee but the Developer's covenants for title shall be modified as set out in this Schedule.

4.2 Deduction of title

4.2.1 Title to the Land has been deduced by the Developer to the Landlord.

4.2.2 The Landlord shall purchase with full knowledge of the title to the Land:-

(a) as set out in the Title Documentation; and

(b) as set out in paragraph 4.3 below (including all matters arising in connection with the Planning Acts)

and shall raise no requisition thereon nor objection to it (save for matters not disclosed to the Landlord before the date of this Lease which are revealed by pre-completion searches in respect of the Land at the Land Registry and save for matters occurring after the date hereof which may adversely affect the Landlord's interest in the Land).

4.3 Matters subject to which the Land is sold

The Land shall be taken to be correctly described and is sold subject to (and where applicable with the benefit of) the following:-

4.3.1 encumbrances discoverable by inspection of the Land before the date of this Lease;

4.3.2 encumbrances which the Developer does not and could not reasonably know about;

4.3.3 matters, other than monetary charges or encumbrances, disclosed or which would have been disclosed by the searches and enquiries which a prudent buyer would have made before entering into this Lease;

4.3.4 the Title Documents as at the date of this Lease (other than any financial charges in favour of the Developer's mortgagees);

4.3.5 this Lease;

4.3.6 the Agreement for Lease;

4.3.7 any dealings dispositions or other matters in respect of which the Landlord has given its consent pursuant to the terms of the Agreement for Lease or this Lease;

4.3.8 the matters referred to in paragraph 13 hereof.

4.4 **New matters**

4.4.1 The Developer shall as soon as reasonably practicable notify the Landlord in writing on becoming aware of:-

(a) any new public requirement (as defined in paragraph 8.2.2 below);

(b) anything concerning any encumbrances to which the Land is to be sold subject to following the date of this Lease; or

4.4.2 The Developer shall as soon as reasonably practicable notify the Landlord and (if so required by the Landlord) supply a copy of any documents relating to any dealings or transactions permitted by the Agreement for Lease or this Lease.

5. POSSESSION

The sale is (subject to paragraph 4.3) with vacant possession on completion and the Developer shall remove all plant machinery chattels rubbish and loose items if required by the Landlord prior to completion.

6. COVENANTS AND INDEMNITIES

6.1 **The Assurance**

The Assurance shall contain an express provision that the Developer transfers or conveys the Land with full title guarantee but the Assurance shall state that the covenants set out in Sections 2 and 3 of the Law of Property (Miscellaneous Provisions) Act 1994 shall not extend to matters which are referred to in this Lease.

6.2 **Execution of the Assurance**

6.2.1 The Assurance shall be executed by the Landlord and the Developer.

6.2.2 The Landlord's Solicitors shall deliver the executed Assurance to the Developer's Solicitors not less than five Working Days before the Completion Date.

6.3 **Contents of the Assurance**

The Assurance shall contain:-

6.3.1 a declaration as to the title guarantee with which the Assurance is made as stated in this Schedule;

6.3.2 the following statements:-

(a) the covenant set out in Section 3 of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to any breach of the Lease relating to the physical state and condition of the Land; and

(b) the covenant set out in Section 4 of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to any breach of this Lease relating to the physical state or condition of the Land.

7. COMPLETION

7.1 Time

7.1.1 Completion of the sale of the Land shall take place on the Completion Date when the Price shall be paid.

7.1.2 If completion shall not have taken place before 2.00pm on the Completion Date then completion shall be deemed to have occurred on the next following Working Day.

8. STANDARD COMMERCIAL CONDITIONS AND ANCILLARY MATTERS

8.1 Standard Commercial Conditions

8.1.1 After the Option has been exercised, the Standard Commercial Conditions shall apply to the sale and purchase of the Land insofar as they are not inconsistent with the express terms and conditions of this Agreement and in the event of any conflict between the express terms and conditions of this Agreement and the Standard Commercial Conditions the former shall prevail.

8.1.2 All references in the Standard Commercial Conditions to the propertyshall be deemed to be references to the Land and shall be construed accordingly.

8.2 Variation of Standard Commercial Conditions

The Standard Commercial Conditions shall be varied as follows:-

8.2.1 Standard Commercial Conditions 1.4, 3.1, 6.1.3, 6.3, 6.4.2, 6.6.2, 6.6.5, 7.1.4(b), 7.1.2, 8.4, 9.1, 9.3, 10.1.3, 10.2 and 10.3 shall be deleted.

8.2.2 In Standard Commercial Condition 1.1.1(l) the definition of public requirement shall be deleted and replaced by the following:-

> "**public requirement**" means any notice order demand request requirement or proposal having specific reference to the property which is given or made (whether before on or after the date of the contract and whether or not subject to any confirmation) by a body acting on statutory authority or any competent authority and includes:-
>
> (a) all matters registered or registrable as local land charges (whether or not so registered); and
>
> (b) all actual or proposed charges orders directions conditions proposals demands restrictions agreements notices or other matters whatsoever (whether registered or not before today's date) affecting or relating to the Land or any part thereof or any building or other structure thereon or any part thereof arising under the Planning Acts.

8.2.3 Standard Commercial Condition 1.1.2 shall be deleted and replaced by the following:-

"When used in these conditions the terms 'absolute title' and 'official copies' have the special meanings given to them by the Land Registration Act 2002 and any reference in these conditions to office copies shall be deemed to be a reference to such official copies".

8.2.4 In Standard Commercial Condition 3.1.2(c) the words "and could not reasonably" shall be deleted.

8.2.5 At the end of Standard Commercial Condition 5.2.2(f) add the words "or public" after the word "statutory".

9. REPRESENTATIONS

9.1 Authority to make Representations

Save for the Developer's Solicitors in respect of any Enquiry Replies no agent, adviser or other person acting for the Developer has at any time had the authority of the Developer to make any Representations whatsoever.

9.2 Reliance on Representations

The Landlord confirms that it has not entered into this agreement in reliance (wholly or in part) upon any Representation riot expressly set out in this Schedule (other than the Enquiry Replies).

10. CONTINUING EFFECT

10.1 This option shall remain in full force and effect after completion in respect of any matters, agreements or conditions which have not been done, observed or performed before completion.

10.2 All representations or warranties, indemnities, undertakings and obligations of the parties shall (except for any obligations fully performed on completion) continue in full force and effect notwithstanding completion.

10.3 Severance

If any provision of this Schedule or Lease is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect:-

10.3.1 the legality, validity or enforceability in that jurisdiction of any other provision of this Schedule or Lease; or

10.3.2 the legality, validity or enforceability in any other jurisdiction of that or any other provision of this Schedule or Lease.

10.4 No implied waivers, remedies cumulative

The rights of each party under this Schedule:-

10.4.1 may be exercised as often as necessary;

10.4.2 are cumulative and not exclusive of its rights under the general law; and

10.4.3 may be waived only in writing and specifically.

Delay in exercising or non-exercise of any such right is not a waiver of that right.

10.5 **Entire agreement**

This Schedule constitutes the entire agreement relating to the subject matter of this Schedule and supersedes all prior negotiations, documents, agreements, statements and understandings.

10.6 **Variations**

This Schedule may only be varied or modified by a supplemental agreement which is made in writing by the parties or their solicitors and in such a form that complies with the requirements of the Law of Property (Miscellaneous Provisions) Act 1989.

10.7 **Third parties**

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

10.8 **Announcements**

None of the parties shall make any statement or public announcement to the press or other media or any other third parties in connection with any matter referred to in this Schedule without prior written consent of the other save as may be required by law.

11. ALIENATION

The Landlord may assign the benefit of this Schedule whether before or after the exercise of the Option and the Developer shall transfer the Land following exercise of the Option either to the Landlord or as it may direct.

12. **VAT**

The consideration for any supply made by either party under this Schedule is inclusive of any VAT or similar tax, duty or imposition which is or becomes chargeable on it.

13. ASSIGNMENT/NOVATION OF THE BENEFIT OF COLLATERAL DOCUMENTS

13.1 The Developer shall upon the date of actual completion assign and transfer and/or novate to the Landlord or as the Landlord otherwise directs the benefit and burden of all none or any of the following in respect of the Land and the development and works which have been or are to be carried out thereon pursuant to the Agreement for Lease (unless already so transferred under the terms of the Agreement for Lease):-

13.1.1 any consultants appointments;

13.1.2 any other contracts or agreements entered into by the Developer (or any Group member of the Developer) in relation thereto including the Building Contract;

13.1.3 all the Developer's rights against any principal sub-contractors and consultants in respect thereof;

13.1.4 all warranties whether as to design, materials or otherwise in relation thereto and any other guarantees and warranties given by any consultants and suppliers and manufacturers in respect of all plant, machinery and apparatus installed as part of the development carried out upon the Land.

13.2 The Developer will use reasonable endeavours to procure that any of the documents described above make provision to enable the Developer to comply with this Clause 13 without the need for consent or agreement of any other party.

14. DISPUTES

Any disputes between the parties shall be resolved in accordance with the provisions of Clause 19 of the Lease as if the provisions thereof were set out in this Schedule verbatim.

APPENDIX 1

OVERAGE DEED

DATED 2015

Draft (5): 27.10.2015
RR10/503792.08751.DJM

(1) HOMES AND COMMUNITIES AGENCY

(2) TIDEBANK UK LIMITED

OVERAGE DEED

relating to property at [insert building name and phase name], Daedalus Park, The Solent Enterprise Zone, Lee-on-the Solent

Pinsent Masons

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THIS DEED is made on [ ]

BETWEEN:-

(1) **HOMES AND COMMUNITIES AGENCY** having its principal place of business at Arpley House, 110 Birchwood Boulevard, Birchwood, Warrington WA3 7QH (the "**Agency**"); and

(2) **TIDEBANK UK LIMITED** (Company Number 07024441) whose registered office is at 49 North Shore Road, Hayling Island, Hampshire PO11 0HN (the "**Developer**").

BACKGROUND:-

(A) By a transfer dated the same date as this Deed, the Agency transferred the Land to the Developer.

(B) The Developer has agreed to pay additional consideration to the Agency on the terms of this Deed.

IT IS AGREED as follows:-

1. **DEFINITIONS AND INTERPRETATION**

1.1 In this Deed:-

"Act of Circumvention"	means any transaction or series of transactions entered into by the Developer with any person or persons the principal purpose or purposes of which is or are to depress or reduce the level of any Change of Use Overage Payment as defined below, due under this Deed
"Base Value"	means:- (i) the value of the Land (on the part having the benefit of a planning permission pursuant to a Planning Application) on the day prior to the Change of Use Date as is regarded by the possibility of a Further Permission ("**First Base Value**"); (ii) in respect of each subsequent Change of Use Dates – the Open Market Value as at the previous Change of Use Date and "**relevant Base Value**" shall be construed accordingly
"Change of Use Date"	means a date that a Further Permission is obtained and "**relevant Change of Use Date**" shall be construed accordingly
"Change of Use Overage Payment"	means each and every payment calculated pursuant to Clause 2 below
"EIR"	means the Environmental Information Regulations 2004 and any subordinate legislation made under this Act from time to time together with any guidance and/or codes of practice issued by the Information Commissioner in relation to such legislation
"EIR Exception"	means any applicable exemption to EIR
"Exempted Information"	means any Information that is designated as falling or potentially falling within the FDA Exemptions or the EIR Exceptions
"FOIA"	means the Freedom of Information Act 2000 and any subordinate legislation made under this Act from time to time together with any guidance and/or codes of practice issued by the Information Commissioner in relation to such legislation

"FOIA Exemption"	means any applicable exemption to FOIA
"Further Permission"	means each and every planning permission for the use or development of the Land or any Unit within that Land or any part of it (together with other property where relevant) for any use other than for use within Use Classes B1, B2 and/or B8 of the Town and Country Planning (Use Classes) Order 1987 (as at the date of this Deed) and "**relevant Further Permission**" shall be construed accordingly
"Information"	means:- (a) in relation to FOIA has the meaning given under section 84 of the FOIA; and (b) in relation to EIR has the meaning given under the definition of "**environmental information**" in section 2 of EIR
"Land"	means the land at Daedalus Park and being part of the Solent Enterprise Zone Lee-on-the Solent being part of the land registered at the Land Registry under title number [HP 666937/ HP 668344/ HP 667125] and being shown edged red on the Plan [***attach a plan of the Property transferred***]
"Open Market Value"	means in relation to a Change of Use Overage Payment the open market value of the whole of the Land or Unit (or part thereof) as the case may be as at the relevant Change of Use Date with the benefit of the relevant Further Permission and otherwise determined in accordance with the relevant practice statement of the RICS – Valuation Professional Standards of if no longer in existence or applicable at the time of valuation, such equivalent valuation guidance recommended by the Royal Institution of Chartered Surveyors
"Payment Date"	means 28 days after any Further Permission is implemented
"Planning Application"	means an application for planning permission which will result (as the may be) in a change of use in respect of the Land or Unit from the then permitted use
"Regional Director"	means Kevin Bourner or such other person holding the position of Regional Director of the Agency as the Agency shall confirm to the Developer in writing from time to time
"Relevant Period"	means the period of 25 years from and including [insert the date of the building lease which preceded the transfer of the Land]
"Request for Information"	shall have the meaning set out in FOIA or any request for information under EIR which may relate to the Land, this Deed or any activities or business of the Landlord
"Unit"	means any buildings and structures erected on the Land including but not limited to industrial buildings for use within Use Classes B1, B2 and or B8 of the Use Classes Order 1987 and their immediate curtilage and any, parking spaces, or forecourts relating to such buildings/structures

"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

1.2 In interpreting this Deed:-

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

1.2.2 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.

1.2.3 A covenant by the Developer not to do any act or thing includes a covenant by the Developer not to permit or suffer such act or thing to be done.

1.2.4 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.

1.2.5 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 this Deed, but the validity and enforceability of the remainder of that provision or of the Lease shall not be affected.

1.2.6 A reference to a numbered clause, schedule or paragraph is a reference to the relevant clause, schedule or paragraph in this Deed.

1.2.7 Headings to clauses, schedules and paragraphs are for convenience only and do not affect the meaning of this Deed.

1.2.8 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.

1.2.9 References to the completion of a transfer or other disposal mean the execution and delivery of the necessary documents, not their subsequent registration.

1.2.10 Any right or exception granted or excepted in favour of the Agency shall be deemed to be granted or excepted in addition in favour of any other person authorised by the Agency.

1.2.11 Where the consent or approval of the Agency is required such consent or approval must be in writing and be signed by the Regional Director (or such other officer as shall have been notified in writing by the Agency to the Developer as being the appropriate officer for such purposes).

2. CHANGE OF USE OVERAGE PAYMENT

2.1 Following each Change of Use Date, the Developer shall pay a Change of Use Overage Payment to the Agency on each relevant Payment Date.

2.2 Each Change of Use Overage Payment shall be 50% of the difference between the relevant Base Value and the Open Market Value immediately after the grant of the relevant Further Permission which has triggered the relevant Change of Use Date.

2.3 The Developer shall within 10 working days of obtaining a Further Permission send a copy of the Further Permission, the Developer's valuation of the Open Market Value and the Developer's calculation of the relevant Change of Use Overage Payment to the Agency for approval.

2.4 The Agency shall be entitled to obtain its own valuation of the Open Market Value as at the relevant Change of Use Date.

2.5 If any amount calculated under Clause 2.2 is a negative amount then the relevant Overage Payment shall be nil.

2.6 If the Developer does not pay a Change of Use Overage Payment on the relevant Payment Date then it shall pay such Change of Use Overage Payment with Interest for the period commencing on the relevant Payment Date and ending on the date payment is actually received by the Agency.

2.7 Any sums payable by the Developer to the Agency under this Clause 2 shall be exclusive of VAT which shall where it is chargeable be paid in addition to the relevant sum at the time when the sum is due to be paid.

3. DISPUTE RESOLUTION

3.1 In the event that any Change of Use Overage Payment has not been agreed or in the absence of agreement in respect of the relevant Open Market Value within 30 working days after the relevant Change of Use Date then either the Agency or the Developer may require that the determination of the same 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.

3.2 Any costs payable by reason of the provisions of this Clause 3 shall be borne initially in equal proportions by the Agency and the Developer and thereafter as may be adjusted by the award or awards pursuant to the provisions thereof.

4. FURTHER COVENANT BY THE DEVELOPER

The Developer covenants not to use or permit the use of all or any part of the Land as residential accommodation or as a retail food store.

5. RESTRICTIONS

5.1 The Developer shall not sell transfer charge or grant a lease or underlease for a term of more than 15 years or permit the assignment of any such lease or underlease of the Land or any part of it during the Relevant Period unless the following requirements are satisfied:-

5.1.1 the transferee/charge/lessee must first enter into a deed of covenant with the Agency (in the form set out in Schedule 1 or in such other form as the Agency may reasonably require) in which the transferee/charge/lessee covenants with the Agency:-

(a) to observe and perform the covenants and obligations on the part of the Developer contained in this Deed (including this Clause 5 relating to any Change of Use Overage Payment); and

(b) to apply to the Land Registry to enter a restriction in the registered title for the Unit in the terms set out below; and

5.1.2 where the transfer/charge/lease is made after a Payment Date has occurred, the relevant Change of Use Overage Payment must first be paid prior to completion of the transfer/charge.

5.2 The Developer will apply to the Land Registry for the entry of a restriction against its title to the Land in Land Registry Form RX1 as set out below and will procure that the proprietor of any registered charge applies for a similar restriction against its charge.

"No disposition of the Registered Land (other than a charge) by the Proprietor of the registered estate or by the proprietor of any registered charge is to be registered without a certificate signed by the conveyancer acting for the Homes and Communities Agency confirming that the provisions of paragraph 5.1 of a Deed dated the [ ] day of [ ] 201[ ] have been complied with or confirming that they do not apply to the disposition"

5.3 Without prejudice to any antecedent breaches or claims, the Agency acknowledges that upon a transferee entering into the deed of covenant with the Agency in accordance with Clause 5.1 above in respect of a freehold transfer of all or part of the Land the Developer shall be released from its obligations under this Deed to the extent that they relate to the property transferred which arise after the date of such deed of covenant save for obligations relating to a Change of Use Date which occurred prior to the date of such deed of covenant.

6. MISCELLANEOUS

6.1 The Developer covenants with the Agency not to enter into any Act of Circumvention and not to assist cause or permit any other party to enter into such Act of Circumvention.

6.2 The Developer agrees that it shall act in the upmost good faith in relation to this Deed.

6.3 No partnership has been created or is intended to be created between the parties.

7. PLANNING OBLIGATIONS

7.1 The Developer shall as soon as practicable keep the Agency informed in writing of all development and any change of use proposed in relation to the Land or Unit (as the case may be).

7.2 Any Planning Application pursuant to which this Deed shall apply shall be submitted to the Agency for approval such approval not to be unreasonably withheld or delayed.

7.3 Other than a Planning Application made in accordance with this Deed no application for planning permission shall be made in respect of the Land by or on behalf of the Developer.

7.4 In complying with its obligations in this Clause 7 the Developer will:-

7.4.1 keep the Agency fully informed of the progress of all Planning Applications;

7.4.2 give reasonable prior notice to the Agency of any meetings with the local planning authority so as to allow them to attend at such meetings and to participate at them;

7.4.3 have due regard to the requirements of the Agency;

7.4.4 promptly following receipt supply the Agency with copies of any Planning Application and any Further Permission;

7.4.5 notify the Agency within 3 working days of the receipt of any planning decision in relation to a Planning Application (whether an original amended resubmitted or additional application); and

7.4.6 promptly notify the Agency of any proposal as to the amending resubmission of or, the making of any additional Planning Application.

8. AGENCY'S POWERS AND LIABILITY

Nothing herein contained or implied shall prejudice or affect the Agency's rights, powers, duties and obligations in pursuance of its objects as a statutory body and the rights, powers, duties and

obligations of the Agency under all public or private statutes, byelaws, orders and regulations may be as fully and effectually exercised in relation to the Land as if the Agency had not executed this Deed.

9. **NOTICES**

9.1 Any notice, decision, direction, approval, authority, permission or consent to be given by the Agency under this Deed 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 Agency may from time to time by resolution designate for the purpose.

9.2 Any notice, decision, direction, approval, authority, permission or consent to be given by a Party shall be sufficiently served, in the case of anything to be served on the Developer, by being left or sent by post to the Developer at its registered office for the time being and, in the case of anything to be served on the Agency, by being left or sent by prepaid registered post or by recorded delivery to the Agency at Arpley House, 110 Birchwood Boulevard, Birchwood, Warrington WA3 7QH and marked for the attention of the Regional Director with a copy to Homes and Communities Agency, Bridge House, 1 Walnut Tree Close, Guildford GU1 4GA marked for the attention of Jeremy Herring (or such other address or reference as may be notified in writing by the Agency to the Developer for such purpose).

10. **FREEDOM OF INFORMATION**

10.1 The Developer acknowledges that the Agency is subject to legal duties which may require the release of Information under FOIA and/or EIR and that the Agency may be under an obligation to provide Information subject to a Request for Information. The parties acknowledge that such Information may include matters relating to, arising out of or under this Deed and any information provided by the Developer prior thereto.

10.2 The Agency shall be responsible for determining in its absolute discretion whether:-

10.2.1 any Information is Exempted Information or remains Exempted Information; or

10.2.2 any Information is to be disclosed in response to a Request for Information

and in no event shall the Developer respond directly to a Request for Information to which the Agency is required to respond to, except to confirm receipt of the Request for Information and that the Request for Information has been passed to the Agency, unless otherwise expressly authorised to do so by the Agency.

10.3 Subject to Clause 10.4 below the Developer acknowledges that the Agency may be obliged under FOIA or EIR to disclose Information:-

10.3.1 without consulting the Developer; or

10.3.2 following consultation with the Developer and having taken (or not taken, as the case may be) its views into account.

10.4 Without in any way limiting Clauses 10.2 and 10.3, in the event that the Agency receives a Request for Information the Agency will, where relevant, as soon as reasonably practicable notify the Developer.

10.5 The Developer will assist and co-operate with the Agency as requested by the Agency to enable the Agency to comply with its disclosure requirements under FOIA and EIR within the prescribed periods for compliance and in particular without limitation will (and shall procure that its employees, agents and sub-contractors will) at their own cost:-

10.5.1 transfer any Request for Information received by the Developer to the Agency as soon as practicable after receipt and in any event within two Working Days of receiving a Request for Information;

10.5.2 provide all such assistance as may be required from time to time by the Agency and supply such data or information as may be requested by the Agency;

10.5.3 provide the Agency with any data or information in its possession or power in the form that the Agency requires within five Working Days (or such other period as the Agency may specify) of the Agency requesting that Information;

10.5.4 ensure that all Information produced in the course of this Deed or relating to this Deed is retained for disclosure; and

10.5.5 permit the Agency to inspect all records retained in accordance with Clause 10.5.4 as requested from time to time.

10.6 Nothing in this Deed will prevent the Agency from complying with any valid order, decision, enforcement or practice recommendation notice issued to it by the Information Commissioner under FOIA and/or EIR in relation to any Exempted Information

11. **LAW**

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

12. **COMMENCEMENT**

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.

13. **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT**

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

EXECUTED AS A DEED by the parties on the date which first appears in this Deed.

SCHEDULE 1

FORM OF DEED OF COVENANT

THIS DEED IS MADE ON [ ]

BETWEEN:-

(1) **[ ]** (No [ ]) of/whose registered office is at [ ] (the "**New Owner**"); and

(2) **[***Insert details of Seller in Overage Deed***]** (No [ ]) of/whose registered office is at [ ] (the "**Covenantee**").

BACKGROUND:-

(A) This Deed is entered into pursuant to the obligations contained in the Overage Deed.

(B) The New Owner has purchased the Property from the [Original Covenantor/Outgoing Owner].

IT IS AGREED as follows:-

1. **DEFINITIONS**

1.1 In this Deed:-

"**Original Covenantor**"	means [insert details of Buyer in Overage Deed]
"**Outgoing Owner**"[1]	means [insert details of seller of Property]
"**Overage Deed**"	means the overage deed dated [ ] and made between (1) the Covenantee and (2) the Original Covenantor
"**Property**"	means the freehold property at [ ] [registered at the Land Registry under Title Number [ ]] [transferred by the [Original Covenantor/Outgoing Owner] to the New Owner by a transfer dated the same date as this Deed]

2. **COVENANT**

The New Owner [jointly and severally] covenants with the Covenantee to:-

2.1 observe and perform the obligations and covenants on the part of the Original Covenantor contained in the Overage Deed so far as they relate to the Property as though references to the "Developer" were to the New Owner; and

2.2 apply to the Land Registry for the entry of a restriction against its title to the Land in Land Registry Form RX1 as set out below and will procure that the proprietor of any registered charge applies for a similar restriction against its charge:-

"No disposition of the Registered Land (other than a charge) by the Proprietor of the registered estate or by the proprietor of any registered charge is to be registered without a certificate signed by the conveyancer acting for the Homes and Communities Agency confirming that the provisions of paragraph 5.1 of a Deed dated the [ ] day of [ ] 201[ ] have been complied with or confirming that they do not apply to the disposition".

---

3. [1] Definition only required if seller of Property is not the Original Covenantor.

3. **GOVERNING LAW AND JURISDICTION**

3.1 This Deed and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) will be governed by and construed in accordance with the laws of England and Wales.

3.2 Subject to Clause 3 of the Overage Deed, the parties irrevocably agree that the courts of England and Wales have exclusive jurisdiction to settle any dispute or claim that arises out of, or in connection with, this Deed or its subject matter or formation (including non-contractual disputes or claims).

EXECUTED AS A DEED by the New Owner on the date which first appears in this Deed.

EXECUTED (but not delivered until the date hereof) **AS A DEED** by [ ] acting by a director and its secretary or two directors	))))))
	Director
	Director/Secretary

EXECUTED (but not delivered until the date hereof) **AS A DEED** by [ ] acting by a director and its secretary or two directors	))))))
	Director
	Director/Secretary

THE COMMON SEAL of)
HOMES AND COMMUNITIES AGENCY)
was hereunto affixed in the presence of:-)

Authorised Signatory

EXECUTED (but not delivered)
until the date hereof))
AS A DEED by **TIDEBANK UK LIMITED** acting)
by [ ])
a director)
)

Director

in the presence of:

Witness (signature)

Name of Witness

Address of Witness

Occupation of Witness

APPENDIX 2

TP1

Land Registry
Transfer of part of registered title(s)

TP1

If you need more room than is provided for in a panel, and your software allows, you can expand any panel in the form. Alternatively use continuation sheet CS and attach it to this form.

Leave blank if not yet registered.

1 Title number(s) out of which the property is transferred:

[HP666937] [and] [HP668344] [and] [HP667125]

When application for registration is made these title number(s) should be entered in panel 2 of Form AP1.

2 Other title number(s) against which matters contained in this transfer are to be registered or noted, if any:

Insert address, including postcode (if any), or other description of the property transferred. Any physical exclusions, such as mines and minerals, should be defined.

Place 'X' in the appropriate box and complete the statement.

For example 'edged red'.

For example 'edged and numbered 1 in blue'.

Any plan lodged must be signed by the transferor.

3 Property:

[Building **[insert name**] forming part of **[insert name of Phase]** at Daedalus Park, The Solent Enterprise Zone, Lee-on-the Solent

The property is identified

☒ on the attached plan and shown:

edged red together with any buildings constructed on it (forming part of the Estate) (*Note: the common areas in a phase will be transferred with the final transfer on that phase*)

☐ on the title plan(s) of the above titles and shown:

4 Date:

Give full name(s).

5 Transferor:

Homes and Communities Agency

Complete as appropriate where the transferor is a company.

For UK incorporated companies/LLPs
Registered number of company or limited liability partnership including any prefix:

For overseas companies
(a) Territory of incorporation:

(b) Registered number in England and Wales including any prefix:

Give full name(s).

6 Transferee for entry in the register:

Tidebank UK Limited

Complete as appropriate where the transferee is a company. Also, for an overseas company, unless an arrangement with Land Registry exists, lodge either a certificate in Form 7 in Schedule 3 to the Land Registration Rules 2003 or a certified copy of the constitution in English or Welsh, or other evidence permitted by rule 183 of the Land Registration Rules 2003.

For UK incorporated companies/LLPs
Registered number of company or limited liability partnership including any prefix: 07024441

For overseas companies
(a) Territory of incorporation:

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Use this panel for:
- definitions of terms not defined above
- rights granted or reserved
- restrictive covenants
- other covenants
- agreements and declarations
- any required or permitted statements
- other agreed provisions.

The prescribed subheadings may be added to, amended, repositioned or omitted.

Any other land affected by rights granted or reserved or by restrictive covenants should be defined by reference to a plan.

Definitions

12.1 In this Transfer the following terms shall have the following meanings

the "Common Services" shall mean the sewers drains channels pipes watercourses gutters wires cables pillars turrets amplifiers poles soakaways and any other apparatus for the supply transmission or distribution to the Property or any part or parts of the Estate of water gas electricity or telephone radio or television signals or for the disposal from the Property or any part or parts of the Estate of water gas electricity or telephone radio or television signals or for the disposal from the Property or any part or parts of the Estate of soil foul water rainwater or surface water until they are adopted or maintained at the expense of any statutory or other authority.

the "Estate" shall mean the estate known as Daedalus Park, The Solent Enterprise Zone, Lee-on-the Solent shown for identification only edged red on the attached plan marked "Estate Plan" [drafting note - this should show the whole of the Land as defined in the Agreement for Lease] together with the land comprised in the Estate Roads in so far as the Estate Roads are within the Transferor's ownership at the date of this Transfer

the "Estate Roads" shall mean the roadways and the ancillary footpaths (if any) shown cross-hatched black on the Highways Plan and the roadways and footpaths within the Estate

"Environmental Authority" means any person or legal entity (whether statutory or non-statutory or governmental or non-governmental) having regulatory authority under Environmental Law and/or any court of or tribunal or any other judicial or quasi-judicial body

"Environmental Laws" means all laws, regulations, directives, statutes, subordinate legislation, rules of common law and generally all international, EU, national and local laws and all judgments, orders, instructions, decisions, guidance awards, codes of practice and other lawful statements of any Environmental Authority applying from time to time in relation to the relevant Phase in respect of pollution of or protection of the Environment or the production, processing, treatment, storage, transport or disposal of Hazardous Substances, in each case insofar as having the force of law

12.2 Agreements and Declarations

12.2.1 The singular shall include the plural and vice versa

12.2.2 References to persons shall include bodies corporate and vice versa

12.2.3 Where more than one person constitutes the Transferee then all covenants and obligations contained or referred to in this Transfer and on the part of the Transferee to be observed or performed are joint and several covenants and obligations on the part of the persons constituting the Transferee

12.3 The Property is transferred SUBJECT TO and with the benefit of the restrictive covenants referred to below TOGETHER WITH (so far as the Transferor has power to grant the same) for the benefit of the Transferee and all persons authorised by it the rights easements and privileges set out in the First Schedule in common with all others entitled to the like rights SUBJECT TO the Lease and to all Title Matters and all rights easements quasi-easements privileges and other matters affecting the Property (or any part thereof) BUT EXCEPTING AND RESERVING to the Transferor its successors in title and its or their respective servants agents and all others authorised by it or them for the benefit of the remainder of the Estate and the Retained Land (and, in relation to paragraph 2 of the Second Schedule, the Waterfront Land) the rights easements and privileges set out in the Second Schedule hereto

12.4 The Transferee hereby further covenants with the Transferor and all other persons claiming under it as transferees of any part of the Retained Land as set out in the Third Schedule.

12.5 It is hereby agreed and declared that no person who is not a party to this Transfer shall be entitled in his own right to enforce any term of this Transfer pursuant to the Contracts (Rights of Third Parties) Act 1999

12.6 It is hereby agreed and declared that no warranty or representation (express or implied) has been made by the Transferor in respect of the Property or any building or other structure upon it as to fitness for purpose, manner, nature or quality of construction or design or absence of any defect nor that any particular standard has been achieved in such design or construction.

12.7 The Transferee hereby covenants with the Transferor by way of indemnity only that the Transferee and the persons deriving title under it will at all times hereafter observe and perform the covenants stipulations and provisions contained or mentioned or referred to in the registers of title listed in panel 1 so far as the same are still subsisting and capable of taking effect and affect the Property hereby transferred and that the Transferee will at all times indemnify the Transferor against any future breach or non-observance or non-performance of the same so far as aforesaid

12.8 The parties hereby agree and declare that the Transferee is not entitled to any right or easement over the Estate or Waterfront Land other than those specifically granted by this Transfer and accordingly section 62 of the Law of Property

Transferee to the exclusion of the Transferor

13.2. The agreements outlined under Clauses 13.1.1 and 13.1.2 are made with the intention that any Environmental Authority serving any notice or seeking to recover any costs should give effect to the agreements pursuant to the statutory guidance issued under Part IIA of the Environmental Protection Act 1990.

13.3. The Transferor and the Transferee agree that the appropriate Environmental Authority may be notified in writing of the provisions of this Clause 13.1 if required to give effect to the agreements outlined under Clauses 13.1.1 and 13.1.2

13.4. The Transferee acknowledges to the Transferor that:-

13.4.1. the Property has been sold with information and it has been provided with reports, surveys and other environmental information prior to the date of this Transfer;

13.4.2. such information is sufficient to make the Transferee aware of the presence in, on, under or over the Property of any Hazardous Substances referred to in the reports;

13.4.3. it relies at its own risk on the contents of any report, plan and other written material and information either disclosed to it or orally communicated to it by or on behalf of the Transferor both as to the condition of the Property and as to the nature and effect of any remedial works which may have been carried out (including but not limited to those reports referred to in Clause 13.4.1 above) and no warranty is given or representation made by or on behalf of the Transferor in this respect; and

13.4.4. it has satisfied itself as to the condition of the Property.

13.5. Both parties agree that:-

13.5.1. the Transferee has been given permission and adequate opportunity to carry out its own investigations of the Property for the purpose of ascertaining whether, and if so the extent to which, Hazardous Substances are present in, on, under or over the Property; and

13.5.2. immediately after completion of the Transfer to the Transferee of the Property the Transferor will not retain any interest in the Property or any rights to occupy or use the Property

13.6. The acknowledgements in this Clause 13 are made in order to exclude the Transferor from liability under. Part IIA of the Environmental Protection Act 1990 so that the Transferor is not an appropriate person, as defined therein.

13.7. The obligations and liabilities of the Transferee contained or referred to in clauses 13.113.2, 13.3, 13.4, 13.5, 13.6 and 13.7 are subject to the Transferor complying with the

Transferee shall cause as little damage and disturbance as possible to the Retained Land in the exercise of such rights of access and entry and forthwith shall make good all damage caused.

4. **THE** rights of subjacent and lateral support and shelter for any building erected on the Property by and from adjoining parts of the Retained Land and any buildings now constructed or in course of construction upon such adjoining parts

THE SECOND SCHEDULE
(Exceptions and Reservations)

1. **THE** right to free passage of water and soil gas and electrical current telephone radio or television signals through all Common Services running through in under or over or attached to the Property with full power (upon reasonable prior notice being given) to enter upon the Property to construct lay clean reconstruct divert or alter maintain or connect into such common services doing as little damage as possible and forthwith making good all damage done

2. **ANY** right to light or air or other easement right or privilege (except in so far as it is hereinbefore specifically granted) which would or might restrict or prejudicially affect the future rebuilding alteration or development of any adjoining or neighbouring land now or formerly belonging to the Transferor or any part or parts thereof

3. **A** right of way at all times and for all purposes over and along the Joint Access (if any) constructed upon the Property

4. **THE** right to construct and maintain enjoy and use over or under the Property foundations and other projections of buildings erected or in the course of erection on the adjoining and neighbouring land within the Estate which overhang and/ or protrude beneath the Property with full rights of eaves drop and support for such foundations and other projections from the Property

5. **THE** right for the owner of any adjoining or neighbouring land within the Estate to enter upon the Property as is reasonably necessary for the purpose of constructing repairing and maintaining any buildings erected on the said adjoining or neighbouring land the person or persons exercising such right causing as little damage and disturbance as possible and making good any damage done with reasonable dispatch

6. **ALL** rights of subjacent and lateral support and shelter for any buildings now constructed or in course of construction upon the Estate from the Property or any building now erected on it.

7. **DURING** the period of three years from the date hereof the right to enter upon the Property for the purpose of implementing and establishing the landscaping scheme designed for the Estate and for carrying out such maintenance as the Transferor deems fit

8. **A** right to enter the Property to the purposes of maintaining the Joint Access if the covenant at paragraph 3 of the Third Schedule is not complied with.

THE THIRD SCHEDULE
(Transferee's Covenants)

1. To pay and contribute with others using the same a fair

Include words of covenant.

Include words of covenant.

Insert here any required or permitted statements, certificates or applications and any agreed declarations and so on.

The transferor must execute this transfer as a deed using the space opposite. If there is more than one transferor, all must execute. Forms of execution are given in Schedule 9 to the Land Registration Rules 2003. If the transfer contains transferee's covenants or declarations or contains an application by the transferee (such as for a restriction), it must also be executed by the transferee.

13 Execution

THE COMMON SEAL of **HOMES AND COMMUNITIES AGENCY** was hereunto affixed in the presence of:

Authorised Signatory

Executed as a Deed by **TIDEBANK UK LIMITED** acting by its secretary and a director or by two directors:

Director

Director/Secretary

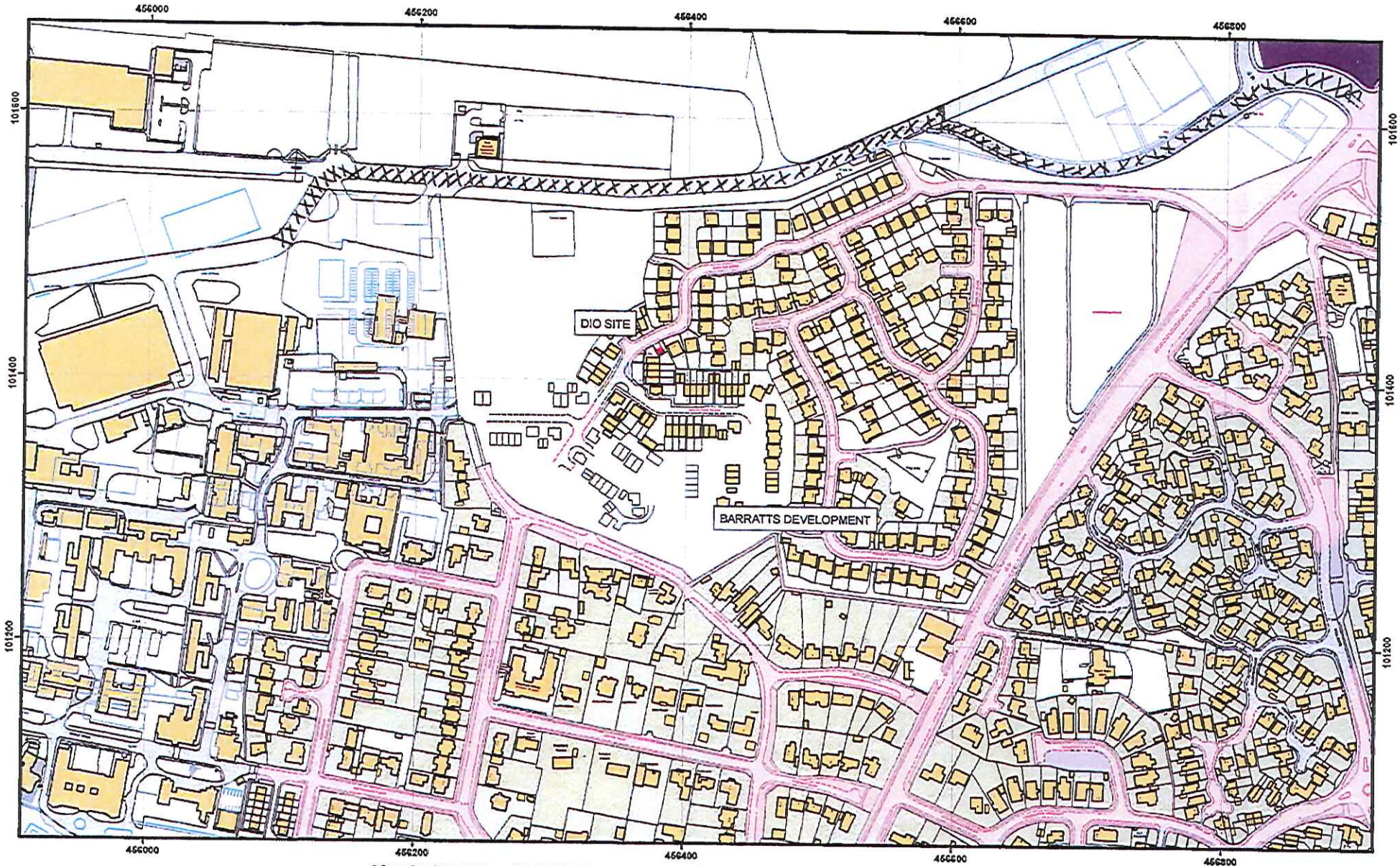
WARNING
If you dishonestly enter information or make a statement that you know is, or might be, untrue or misleading, and intend by doing so to make a gain for yourself or another person, or to cause loss or the risk of loss to another person, you may commit the offence of fraud under section 1 of the Fraud Act 2006, the maximum penalty for which is 10 years' imprisonment or an unlimited fine, or both.

Failure to complete this form with proper care may result in a loss of protection under the Land Registration Act 2002 if, as a result, a mistake is made in the register.

Under section 66 of the Land Registration Act 2002 most documents (including this form) kept by the registrar relating to an application to the registrar or referred to in the register are open to public inspection and copying. If you believe a document contains prejudicial information, you may apply for that part of the document to be made exempt using Form EX1, under rule 136 of the Land Registration Rules 2003.

APPENDIX 3

HIGHWAYS PLAN



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Scale 1:2500

Hampshire County Council

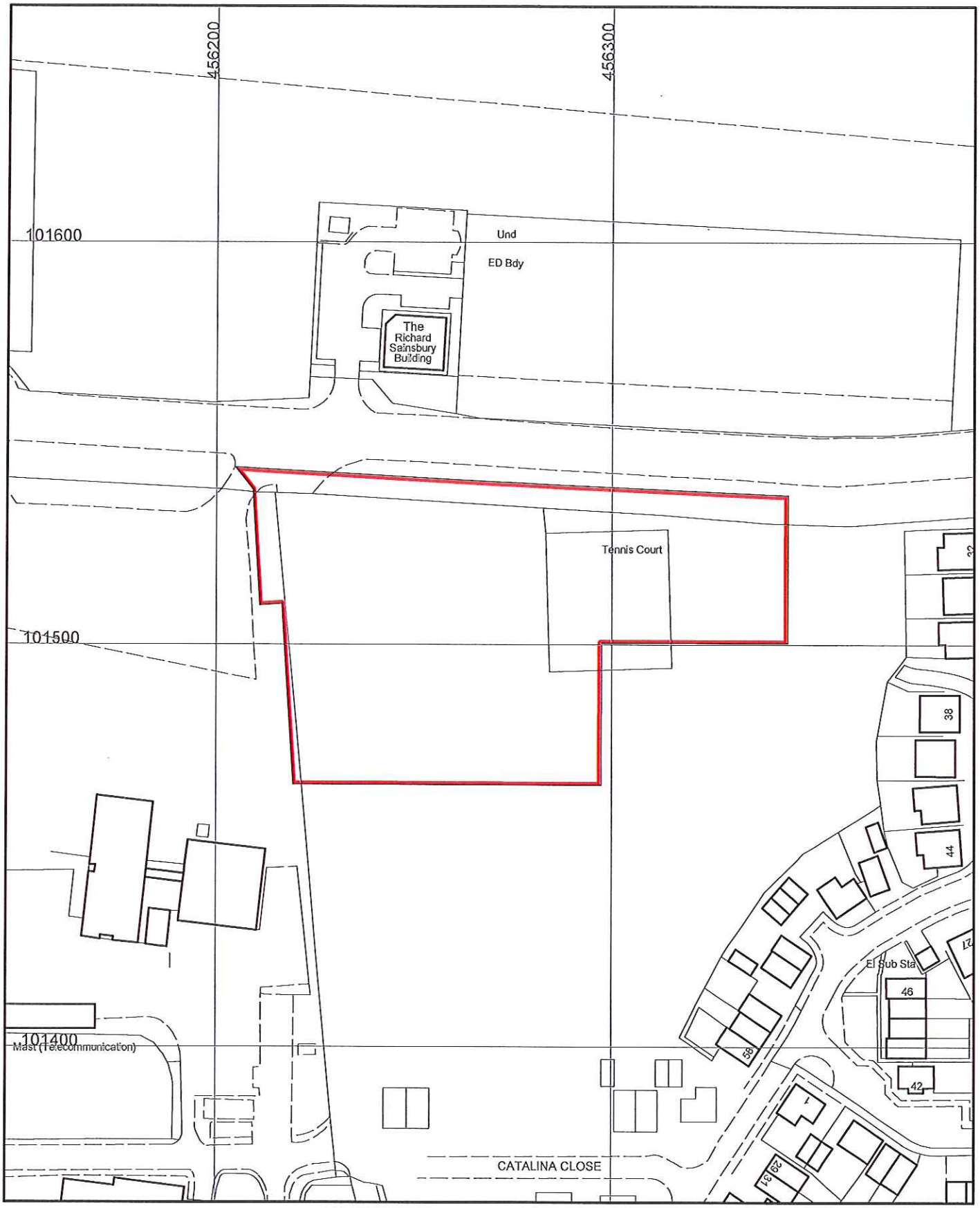
Daedalus Park, HMS Daedalus,
Lee-on-the-Solent

HIGHWAY OWNERSHIP
ADJACENT TO DAEDALUS PARK

N

APPENDIX 4

PLAN



TITLE
Phase 1
~~Swann Hangar~~ / Park
Daedalus Waterfront
Fareham
Hampshire

N

Homes & Communities Agency

Spatial and Market Intelligence
Tel: 0300 1234500
Email - spatial.intelligence@hca.gsi.gov.uk
www.homesandcommunities.co.uk

ITP NO.	ASSET REF		
-	3729		
DRG NO.	DATE	SCALE	SIZE
CJT20030	29/09/2015	1:1250	A4

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APPENDIX 5

TIMETABLE

DAEDALUS PARK

	Task Mode	Task Name	Duration	Start	Finish
1		Phase 1			
2		Atilus	35 days	Mon 04/09/18	Fri 19/10/18
3		Site set up	1 wk	Mon 04/09/18	Fri 07/09/18
4		Reduce level/ dig whole Phase 1 area	2 wks	Mon 04/09/18	Fri 14/09/18
5		Remove remaining tree stumps	1 day	Thu 20/09/18	Fri 21/09/18
6		Excavate foundations	2 wks	Wed 05/09/18	Tue 25/09/18
7		Steel frame incl cold rolled	3.5 wks	Wed 27/09/18	Fri 12/10/18
8		Drainage	1 wk	Fri 12/09/18	Thu 20/09/18
9		Brickwork plinth	2 wks	Mon 10/09/18	Fri 28/09/18
10		Scaffold edge protection, access and rails	1 wk	Mon 10/09/18	Fri 19/10/18
11		Roof Cladding	2 wks	Mon 22/09/18	Fri 12/10/18
12		Wall cladding	3 wks	Mon 24/09/18	Fri 19/10/18
13		Windows (high level)	1 wk	Mon 29/09/18	Fri 28/09/18
14		Floor slab	2 wks	Mon 24/09/18	Fri 12/10/18
15		Windows & Doors incl in 5+6	1.5 wks	Mon 08/10/18	Wed 17/10/18
16		Dividing walls between units	4 wks	Mon 08/10/18	Fri 02/11/18
17					
18		Diligence	70 days	Thu 20/09/18	Fri 04/01/19
19		Excavate foundations	2 wks	Thu 20/09/18	Wed 03/10/18
20		Steel frame incl cold rolled	2.4 wks	Thu 27/09/18	Fri 05/10/18
21		Drainage	1 wk	Mon 01/10/18	Fri 05/10/18
22		Brickwork Plinth	2 wks	Mon 01/10/18	Fri 19/10/18
23		Scaffold edge protection, access and rails	1 wk	Mon 01/10/18	Fri 05/10/18
24		Roof Cladding	3 wks	Mon 08/10/18	Fri 26/10/18
25		Wall cladding	3 wks	Mon 08/10/18	Fri 26/10/18
26		Windows (high level)	1 wk	Mon 15/10/18	Fri 19/10/18
27		Floor slab	2 wks	Mon 15/10/18	Fri 02/11/18
28		Windows & Doors incl cills 2 wks		Mon 29/10/18	Fri 09/11/18
29		Dividing walls between units 3 wks		Mon 29/10/18	Fri 16/11/18
30					
31		Bulwark	100 days?	Mon 08/10/18	Fri 15/03/19
32		Excavate foundations	3 days	Mon 15/10/18	Fri 19/10/18
33		Steel frame incl cold rolled	3.8 wks	Mon 22/10/18	Wed 07/11/18
34		Drainage	1 wk	Thu 25/10/18	Wed 31/10/18
35		Brickwork plinth	1 wk	Thu 01/11/18	Wed 07/11/18
36		Scaffold edge protection, access and rails	1 wk	Thu 01/11/18	Wed 07/11/18
37		Roof Cladding	3 wks	Thu 15/11/18	Wed 05/12/18
38		Wall cladding	3 wks	Thu 15/11/18	Wed 05/12/18
39		Windows (high level)	1 wk	Thu 22/11/18	Wed 28/11/18
40		Floor slab	3 days	Thu 29/11/18	Fri 07/12/18
41		Windows & Doors incl cills 1.5 wks		Mon 26/11/18	Fri 07/12/18
42		Dividing walls between units 3 wks		Mon 26/11/18	Fri 14/12/18
43		Snagging and handover	2 wks	Mon 17/12/18	Fri 28/12/18
44					
45		External works incl utilities, parking etc	21 wks	Mon 10/12/18	Fri 03/05/19
46					
47		Phase 2			
48		Eagle	80 days	Mon 10/09/18	Fri 28/09/18
49		Reduce level/ dig whole of Phase 2	3 days	Mon 10/09/18	Fri 28/09/18
50		Excavate foundations	3 wks	Mon 17/09/18	Fri 05/10/18
51		Steel frame incl cold rolled	3 wks	Mon 24/09/18	Fri 12/10/18
52		Drainage	1 wk	Mon 24/09/18	Fri 28/09/18
53		Brickwork plinth	3 wks	Mon 24/09/18	Fri 12/10/18
54		Scaffold edge protection, access and rails	3 days	Mon 24/09/18	Fri 28/09/18
55		Roof Cladding	3 wks	Mon 15/10/18	Fri 02/11/18
56		Wall cladding	3 wks	Mon 22/10/18	Fri 09/11/18
57		Windows (high level)	1 wk	Mon 29/10/18	Fri 02/11/18
58		Floor slab	2 wks	Mon 29/10/18	Fri 16/11/18
59		Windows & Doors incl cills 2 wks		Mon 12/11/18	Fri 23/11/18
60		Dividing walls between units 4 wks		Mon 12/11/18	Fri 30/11/18
61					
62		Glorious	85 days?	Mon 05/10/18	Fri 01/02/19
63		Excavate foundations	2 wks	Mon 05/10/18	Fri 19/10/18
64		Steel frame incl cold rolled	2 wks	Mon 15/10/18	Fri 26/10/18
65		Drainage	3 days	Mon 15/10/18	Wed 17/10/18
66		Brickwork plinth	3 wks	Mon 15/10/18	Fri 02/11/18
67		Scaffold edge protection, access and rails	1 wk	Mon 15/10/18	Fri 19/10/18
68		Roof Cladding	3 wks	Mon 22/10/18	Fri 09/11/18
69		Wall cladding	4 wks	Mon 29/10/18	Fri 23/11/18
70		Floor slab	2 wks	Mon 29/10/18	Fri 09/11/18
71		Windows & Doors incl works 2 wks		Mon 12/11/18	Fri 23/11/18
72		Dividing walls between units 12 days		Mon 12/11/18	Wed 28/11/18
73		Snagging and handover	2 wks	Mon 03/12/18	Fri 14/12/18
74					
75		External works incl utilities, parking etc	36 wks	Mon 17/09/18	Fri 14/06/19
76					
77		Phase 3			
78		Pavilions	89 days?	Wed 26/12/18	Fri 26/04/19
79		Reduce level/ dig	1.6 wks	Wed 26/12/18	Fri 04/01/19
80		Excavate foundations	1.4 wks	Mon 07/01/19	Tue 15/01/19
81		Steel frame incl cold rolled	2.8 wks	Wed 16/01/19	Fri 01/02/19
82		Drainage	1 wk	Mon 21/01/19	Fri 25/01/19
83		Brickwork plinth	3 wks	Mon 21/01/19	Fri 08/02/19
84		Scaffold edge protection, access and rails	1 wk	Mon 21/01/19	Fri 25/01/19
85		Roof Cladding	3 wks	Mon 11/02/19	Fri 01/03/19
86		Wall cladding	3 wks	Mon 11/02/19	Fri 29/03/19
87		Windows (high level)	1 wk	Thu 21/02/19	Wed 27/02/19
88		Floor slab	2 wks	Mon 11/02/19	Fri 22/02/19
89		Windows & Doors incl works 2 wks		Mon 25/02/19	Fri 15/03/19
90		Dividing walls between units 3 wks		Mon 25/02/19	Fri 22/03/19
91					
92		Centaur	89 days?	Tue 15/01/19	Fri 17/05/19
93		Excavate foundations	7 days	Tue 15/01/19	Wed 23/01/19
94		Steel frame incl cold rolled	2.5 wks	Thu 24/01/19	Mon 11/02/19
95		Drainage	1 wk	Tue 15/01/19	Mon 21/01/19
96		Brickwork plinth	3 wks	Tue 15/01/19	Mon 04/02/19
97		Scaffold edge protection, access and rails	1 wk	Mon 21/01/19	Fri 25/01/19
98		Roof Cladding	3 wks	Mon 11/02/19	Fri 01/03/19
99		Wall cladding	3 wks	Mon 18/02/19	Fri 15/03/19
100		Windows (high level)	1 wk	Mon 25/02/19	Fri 01/03/19
101		Floor slab	2 wks	Mon 04/03/19	Fri 15/03/19
102		Windows & Doors incl works 2 wks		Mon 18/03/19	Fri 05/04/19
103		Dividing walls between units 3 wks		Mon 25/03/19	Fri 12/04/19
104		Snagging and handover	1 wk	Mon 15/04/19	Fri 19/04/19
105					
106		External works incl utilities, 36 wks		Mon 28/12/18	Fri 17/05/19

THE COMMON SEAL of
HOMES AND COMMUNITIES AGENCY
was hereunto affixed in the presence of:-)))

Authorised Signatory

EXECUTED (but not delivered
until the date hereof)
AS A DEED by **TIDEBANK UK LIMITED** acting
by [Kevin Jones]
a director))))))

Director

in the presence of:

Witness (signature)

Name of Witness Sian Reynolds

Address of Witness New Hips, Tollgate, Eastleigh. SO53 3LG

Occupation of Witness Solicitor

DAEDALUS PARK

16 FEBRUARY 2016

RIDER TO CLAUSE 18.4 OF BUILDING LEASE

18.4 The Tenant shall:-

18.4.1 procure that the Professional Team are appointed on the terms of the Professional Team Appointments as soon as possible and in any event within 4 weeks of the date of this Lease; and

18.4.2 not, without the consent of the Landlord (not to be unreasonably withheld or delayed) make or suffer to be made any alteration in the terms of any of the appointments of any of the Professional Team nor agree any release of any of the Professional Team; and

18.4.3 supply the Landlord with certified copies of the Professional Team Appointments within 2 Working Days of them being entered into; and

18.4.4 procure that Warranties from the Professional Team and Building Contractor are entered into in favour of the Landlord and provided to the Landlord as soon as possible and in any event within 4 weeks of the date of this Lease.