



80 Wolviston Road, Billingham, TS22 5JF

AK Properties NE LTD

Market Value Report

Market Value Report | Rev A

16th October 2023

CA2202

MARKET VALUE REPORT

80 Wolviston Road, Billingham, TS22 5JF

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Document history and status

Revision	Date	Description	Originator	Checked	Approved
A	16/09/2023	Market Valuation Report	J Gamble - Schofield	G Tyerman	D Clinch

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1 Executive Summary

The property that is the subject of this report is now known as 80 Wolviston Road, Billingham, TS22 5JF. It comprises of a retail shop, currently trading as a convenience store.

Within the report, we have provided our opinion of Market Value as at the valuation date, which is 16th October 2023.

Our opinion of the Market Value of the subject property in its current condition and making the special assumption that the lease provided is signed and agreed.

£130,000 (One Hundred and Thirty Thousand Pounds)

The above Executive Summary should be read in conjunction with the valuation report of which it forms part and is subject to the assumptions, caveats and bases of valuation stated herein and should not be read in isolation.

2 Instructions

2.1 Appointment

We are pleased to submit our report and valuation, which has been prepared in accordance with the Terms of Engagement (see Appendix D).

We have valued the property known as 80 Wolviston Road, Billingham, TS22 5JF (ground floor only).

2.2 Client

The client in respect of this report is Ashley and Kayleigh Gore.

2.3 Compliance with RICS Valuation – Global Standards

We confirm that the valuation and Valuation Report have been prepared in accordance with the RICS Valuation – Global Standards 2022 which incorporate the International Valuation Standards (“IVS”) and the RICS UK Valuation Standards (the “Red Book”) edition current at the Valuation Date. It follows that the valuation is compliant with “IVS”.

2.4 Status of Valuers and Conflicts of Interest

We can confirm that the valuers who have contributed to the valuation have complied with the requirements of PS1 of the RICS Valuation – Global Standards 2022, which came into effect on 31st January 2022. We confirm that we have sufficient current knowledge of the relevant markets, and the skills and understanding to provide this advice competently. We confirm that Graham Tyerman MRICS is an RICS Registered Valuer with overall responsibility for providing this advice and is in a position to provide objective and unbiased advice and is competent to provide the advice.

We further confirm that we have no current, anticipated or previous recent involvement with the property.

2.5 Purpose of Valuation

The purpose of this valuation report is to provide the client with the Market Value of a shop property known as 80 Wolviston Road (i.e. excluding the flat above) We understand that this valuation is required because the owner is going to transfer the property into a Small Self-Administered Scheme (SSAS)

2.6 Inspection and limitations

The property was subject to internal and external inspection on Thursday 5th October 2023.

Our instructions in respect of this commission do not extend to the carrying out of a building survey and no account has been / will be taken within our valuation of any defects that such a survey might reveal, that are not evident from a visual inspection.

We have not inspected those parts of the property covered, unexposed or inaccessible, and we have not undertaken inspections of roof voids or sub-floor areas nor test services.

No access audit has been undertaken to ascertain compliance with the Equality Act.

Mechanical and electrical installations and other specialist installations and services have not been tested.

We cannot express an opinion about or advice upon the condition of uninspected parts and the valuation report should not be taken as making any implied representation or statement about such parts.

We have carried out inspections of a limited visual nature only and we cannot give any assurances that previous uses on the sites or in the surrounding areas have not contaminated sub-soils or ground waters.

Should it be established subsequently that contamination exists at the property or on any neighbouring land, or that the premises have been or are being put to any use resulting in contamination, this might reduce the value reported.

2.7 Sources of Information

In addition to information established by us, we have relied on the information obtained from Rightmove website; Zoopla; HM Land Registry portal; Environmental agency – flood risk plans; gov.uk website (EPC), Co-star and, other sources as referred to in this valuation report.

In addition to the above, we have been provided a commercial lease agreement relating to the subject property, a lease summary can be found in appendix E.

2.8 Basis of Valuation

The value of the Property has been assessed in accordance with the relevant parts of the RICS Valuation Global Standards 2022. In particular, we have assessed Market Value as referred to in IVS 104 paragraph 30.1

Market Value” is defined as:-

“the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.”

Our opinion of the Market Value of the property has been primarily derived using comparable recent market transactions on arm’s length terms.

2.9 Taxation and Costs

We have not made any adjustment to reflect any liability to costs or taxation including Stamp Duty Land Tax.

3 Location and Access

3.1 Location

The subject property is located within the town of Billingham, on Wolviston road that is one of the main roads through the town. Billingham is governed as part of the Borough of Stockton-on-Tees unitary authority, and which had a population of 33,927 at the 2021 Census.

The subject property is 6.3 miles north of Middlesbrough town centre, 17.6 miles east of Darlington town centre and 7.2 miles south west of Hartlepool town centre. Billingham town centre is located 0.5 miles to the south east.

The property is located off Wolviston Road, a well-used A road with an approximate daily traffic count of between 8,000 and 12,000 vehicles. It is located in a mixed use area, with residential uses to the east and west. It is therefore a viable location for a convenience store.

The property is located within a row of terraces, all converted to ground floor retail use, with residential uses to the first floors. Some of the main occupiers along this street include; Jet Fuel Garage Services, takeaway shops and beauty salons. These uses generate a reasonable footfall for the subject unit.

3.2 Access

The property has vehicular and pedestrian access from Wolviston Road.

Please see the aerial image below outlining access points.



4 Description of the Property

4.1 Description

The property considered within this report is the ground floor shop element of a brick built mid terrace property, which is currently used as a convenience store, and trades as “Go Local”. The building appears to date from approximately the 1960’s.

The first floor is not considered in this report, but is in the same ownership as the shop although is not considered in this report. We have assumed the first floor is currently occupied as a residential flat.

Externally, the property is brick built. The shop front comprises of timber framed glazed windows with a steel fascia.

Internally, the building provides an open plan shop floor, divided by shelving units with refrigerated units located along the interior walls. To the rear of the premises is where the office and storage space is located. The property benefits from suspended ceiling tiles and concrete flooring. The fenestration is double glazed timber framed.

Please see images of the subject property held within **Appendix C**.

4.2 Accommodation

The building has an open plan layout. Upon entering the premises is the main retail space, to the north of the property there is the ancillary storage and office accommodation.

Main Room (ground floor retail)

- Extends to 59 sq. m (635 sq. ft.)

Storage / Office Space (ground floor office/storage)

- Extends to 33 sq. m (355 sq. ft.)

Total floor area 92 sq. m (990 sq. ft.)

There is no internal connection between the shop and the flat above (80A Wolviston Road), which each have their own external entrances.

4.3 Condition and State of Repair

The property appears to have been well maintained and at the time of inspection was in a fair condition. It is in fair decorative order internally and externally.

We assume that there are no significant defects or structural issues in connection with the property. Therefore, within the limitations of the inspection, the property is considered to be in a generally reasonable condition given its age and type of construction.

In undertaking this valuation, we have not carried out a condition survey, tested the services or carried out any investigations to determine whether any deleterious materials exist in relation to the site, and we have not been provided with a condition survey.

4.4 Services

The property is supplied with mains electricity, water and sewerage. Drainage appears to be by means of connection to the main sewer.

None of the services to the property have been tested, in preparing this report.

4.5 Tenure

As stated above, the property under consideration in this report is the shop unit known as 80A Wolviston Road only. However, this property is owned together with the flat above it, which is known as 80A Wolviston Road.

The interest that is the subject of this valuation is the freehold interest in the property. The property is held under title number CE94861 (please see **Appendix B** for a copy of the title plan and register). Upon title investigations, it appears that the residential flat above the convenience store (first floor) is excluded from the title. There is a separate title for the flat that is registered with the land registry, although there are no details currently available for this title so we assume that it is in the process of being created in order to allow for the transfer of the shop element of the property into the SSAS, (which typically holds commercial property rather than residential property).

In preparing this valuation report, we have assumed that the freehold interest is free from any significant covenants or encumbrances that would affect the value of the property.

As stated in the purpose for this report, the valuation is required in connection with a transfer of the shop element of the property into a SSAS. There are currently no details available from Land Registry as to the way the title is to be split, but we have assumed from the information that is available that the transfer will be of a freehold interest, with the flat being retained by way of a long lease. We have therefore undertaken the valuation based on that assumption.

5 Planning and Environmental Issues

5.1 Planning

We have assumed that the site is suitable in planning terms for its current use.

We have obtained information on recent planning applications from the website of the Local Planning Authority – Stockton-on-Tees Borough Council.

Please see a summary of the planning below:

Application	Status
Retrospective application for the installation of an ATM through the existing glazing of the shop front. Ref. No:17/2335/RET	Approved with Conditions
Installation of 2 illuminated ATM fascia signs. Ref. No:17/2336/ADV	Approved with Conditions
Projecting illuminated sign. Ref. No:SA780	Application Refused

5.2 Contamination and Archaeology

Whilst we have not identified any significant risk of contamination in respect of the property or its site, we envisage that a potential purchaser would carry out searches prior to acquisition.

We have assumed that the site has no archaeological significance.

5.3 Flooding

The flood risk map for the area identifies that there is no flood risk from rivers or the sea relating to the subject property.

5.4 Radon Gas

The UK radon interactive map indicates that the subject property is situated in an area where the risk for radon gas is less than 1%.

5.4 Asbestos and Contamination

We have not received any asbestos reports in respect of the property.

We were not instructed to undertake or commission an environmental assessment to establish whether contamination exists or may exist, nor are we aware of any such assessment having been prepared by a specialist advisor in respect of the subject property and its environs.

6 Analysis of the Local Property Market

The subject property occupies a singular market, in its current use a retail shop.

Please find the Stockton-on-Tees Submarket Report attached as an addendum to this report.

7 Valuation Approach and Opinion of Value

We have valued this property on the basis of Market Value using the Investment method. We have done this by capitalising the income received from the shop unit.

As stated above in this report, we have been asked to value only the shop unit (80A Wolviston Road) of the client's property ownership at this location. In order to do this, it is necessary to make appropriate assumptions regarding the title that would be made available on any hypothetical sale of the property on the open market, as this is necessary in order to derive a Market Value. As discussed in the tenure section, there is at present little information regarding the way the title will be actually be split, but we would assume from our knowledge of the operation of SSAS schemes that a freehold title would be made available for transfer to the SSAS, with the owner of the property retaining the flat by way of a leasehold interest. This would appear to be the most appropriate way of facilitating the transfer of the shop to the SSAS whilst retaining the flat outside the SSAS (the rules for SSAS do not typically allow residential properties to be included within them).

We have been provided with a copy of the lease (please find the lease summary in Appendix E). We have been informed that the lease completed in September 2023 for a term of 10 years, providing an annual rental income of £13,200. Subject to 5 yearly rent reviews. We analysed the rental income and are satisfied that the agreed rent equates to the current Market Rent.

In selecting the yield appropriate to the valuation, we have had regard to the nature of the property given the tenure assumptions set out above. We consider that the property would be saleable on the open market, and as a freehold interest would have a greater value than a leasehold interest of a similar nature. However, its value would still be impacted by the existence of the flat above, and the complications regarding matters such as access rights and repairing liabilities that this would introduce. We have selected the yield applied in the valuation accordingly.

7.1 Market Value

We have calculated the Market Value of the property utilising the investment method.

Based on the above considerations, we have capitalised the market rent by and appropriate all risks yields and allowing for purchasers costs.

On the basis of the above, we are of the opinion that the Market Value of the freehold interest of the subject property as at the date of valuation, in its current condition, is as follows:

£130,000 (One Hundred and Thirty Thousand Pounds)

See **Appendix A** for full details of the valuation that has been prepared.

7.2 Conclusion

We consider that the sum quoted at 7.1 above represents the Market Value of 80 Wolviston Road (ground floor only) as at the valuation date.

8 Confidentiality

The contents of this valuation report are enclosed and are confidential to the client, for their sole use only and for the purpose of valuation as stated. This valuation report may be relied upon only in connection with the purpose of valuation stated and only by the client.

Publication or disclosure of this report will not be permitted unless, where relevant, it incorporates adequate reference to our Terms of Business and the Special Assumptions and / or departures from the RICS Valuation – Global Standards 2022 referred to herein. For the avoidance of doubt, such approval is required whether or not Align Property Partners is referred to by name and whether the contents of our Valuation Report are combined with others.

8.1 Verification

We recommend that before any financial transaction is entered into based upon this valuation, you obtain verification of the information contained within our report and the validity of the assumptions we have adopted.

We would advise you that whilst we have valued the property reflecting current market conditions, there are certain risks, which may or may not become insurable. Before undertaking any financial transaction based upon this valuation, you should satisfy yourselves as the current insurance cover and the risks that may be involved should an uninsured loss occur.

8.2 Professional Indemnity Insurance

The amount of Professional Indemnity Insurance on a per claim basis is limited to an amount stated within the terms of engagement.

8.3 Reliance and Disclosure

The client shall not disclose the contents of this valuation report to a third party in any way, including where we are not referred to by name or if the valuation report is to be combined with other reports, documents or information, without first obtaining our written approval to the form and context of the proposed disclosure in accordance with the terms of Engagement. We will not approve any disclosure that does not refer adequately to the terms of Engagement and any Special Assumptions or Departures that we have made.

This valuation report or any part of it may not be modified, altered (including altering the context in which the valuation report is displayed) or reproduced without prior written consent. Any person who breaches this provision shall indemnify us against all claims, costs, losses and expenses that we may suffer as a result of such a breach.

We hereby exclude all liability arising from use of and / or reliance on this valuation report by any person or persons except as otherwise set out in the Terms of Engagement.

8.4 Authorisation

We confirm that we have met the requirements as to competence and the definitions of an external valuer within the RICS Valuation – Global Standards 2022.

The valuation has been approved by, Graham Tyerman MRICS Registered Valuer, who is the Senior Principal Technical Valuer at Align Property Partners.

Signed:

A handwritten signature in black ink that reads 'G.J. Tyerman'.

Graham Tyerman, BSc MRICS

RICS Registered Valuer

Senior Principal Valuer

Date: 20th October 2023

Applied rental levels vary between £8.50 per square foot and £16 per square foot, dependant on the accommodation space in question. Capitalised the per annum rent by an ARY yield of 10%.

[illegible]

The first table relates to the rental value of retail units that are generally similar to the subject property.

Sign Date	Address	Town	Total SF Leased	Main Sales Area	Rent PA	Rent Per SQ FT	Expiry Date
12/10/2023	112 York Rd	Hartlepool	1,155	1,155	12,000	10.39	10/11/2028
05/06/2023	33 West Green	Middlesbrough	711	0	10,000	14.06	
24/05/2023	58 Albert Rd	Middlesbrough	1,925	1,925	22,000	11.43	
04/05/2023	29-35 Prince Regent St	Stockton on Tees	360	0	6,901.20	19.17	
03/04/2023	14 Fountain St	Guisborough	1,296	941	18,000	13.89	
16/03/2023	King St	Redcar	350		5,200	14.86	16/03/2024
16/03/2023	69-69A Linthorpe Rd	Middlesbrough	1,959	1,231	25,000	12.76	
01/03/2023	33-35 Kings Rd	Middlesbrough	755		12,000	15.89	23/03/2038
01/02/2023	5 The Wynd	Redcar	555	555	10,000	18.02	
05/01/2023	5 Acklam Rd	Middlesbrough	638	638	9,577.48	15.01	23/02/2026
03/01/2023	16B Fountain St	Guisborough	604	557	5,500	9.11	

01/01/2023	9-11 Market Pl	Guisborough	448	0	6,000	13.39	
06/12/2022	271A Acklam Rd	Middlesbrough	947	0	18,000	19.01	31/12/2025
02/12/2022	85 Grange Rd	Middlesbrough	2,332	0	20,008.56	8.58	
02/12/2022	85 Grange Rd	Middlesbrough	155	0	5,000.30	32.26	
14/11/2022	West Row	Stockton-on-Tees	497	0	6,240	12.56	
07/11/2022	Rectory Ln	Guisborough	1,200	0	40,000	33.33	
02/11/2022	115 Raby Rd	Hartlepool	617	450	3,900	6.32	
27/10/2022	High St	Middlesbrough	172	0	5,487	31.90	25/11/2024
26/10/2022	205 Marton Rd	Middlesbrough	1,123	0	11,971	10.66	24/11/2027

Evidence relating to yields is as follows:-

Property Address	Town	Building SF	Sale Price	Sale Date	Sale Status	Asking Price	Net Initial Yield
69 Durham Rd	Stockton-on-Tees	687	£75,000	12/05/2023	Sold		8.64
114 York Rd	Hartlepool	2,323	£92,500	10/07/2022	Sold	95,000	12.00
22-26 Murray St	Hartlepool	3,003	£150,000	01/02/2022	Sold	175,000	8.00
33-35 Kings Rd	Middlesbrough	755	£158,000	04/05/2023	Sold		7.00
28A-30 High St E	Redcar	5,673	£175,000	30/06/2023	Sold	180,000	11.25
48 Linthorpe Rd	Middlesbrough	3,611	£260,000	31/07/2022	Sold	270,000	8.15
13A Cleveland St	Redcar	8,219	£512,000	21/09/2022	Sold	300,000	7.83
7 Linthorpe Rd	Middlesbrough	7,152	£585,000	13/12/2021	Sold	470,000	6.92
New St	Stockton-on-Tees	34,800	£950,000	25/05/2022	Sold	950,000	9.96
87 High St	Stockton-on-Tees	9,151	£1,000,000		Under offer	1,000,000	8.21
2 Skinner St	Stockton-on-Tees	19,500	£1,390,000	03/03/2023	Sold	1,400,000	9.42

We have analysed these comparables in detail. They relate to generally similar properties, but with a considerable range in terms of size and location. Making appropriate adjustments for these factors, and for the nature of the tenure as set out in this report, gives rise to the yield of 10% that we have applied within the valuation.

Appendix B. Title Plan & Title Register

**GOV.UK**

Search for land and property information

Title register for:**80 Wolviston Road, Wolviston, Billingham, TS22 5JF (Freehold)****Title number: CE94861**

Accessed on 16 October 2023 at 15:35:25

This information can change if we receive an application. This service can not tell you if HM Land Registry are dealing with an application.



This is not an official copy. It does not take into account if there's a pending application with HM Land Registry. If you need to prove property ownership, for example, for a court case, you'll need to order an official copy of the register.

Register summary

Title number	CE94861
Registered owners	Ak Properties Ne Ltd 1 Peddars Way, Ingleby Barwick, Stockton-On-Tees TS17 5FQ
Value stated	£120,000 on 20 September 2022

A: Property Register

This register describes the land and estates comprised in this title.

Entry number	Entry date	
1	1987-09-24	STOCKTON-ON-TEES The Freehold land shown edged with red on the

	plan of the above Title filed at the Registry and being 80 Wolviston Road, Wolviston, Billingham (TS22 5JF).
2	The land has the benefit of a right of way over the road to the rear and of drainage thereunder.
3	The mines and minerals are excepted.
4	<p>A Conveyance of the land in this title dated 19 October 1936 made between (1) Charles Henry Webster and (2) Horace Jesse Ward contains the following provision:-</p> <p>"PROVIDED ALWAYS that it is hereby agreed and declared that the walls and/or fences dividing the property hereby conveyed from the adjoining properties on the North and South sides are party walls and/or fences and shall at all times hereafter be repairable and maintainable as such"</p>

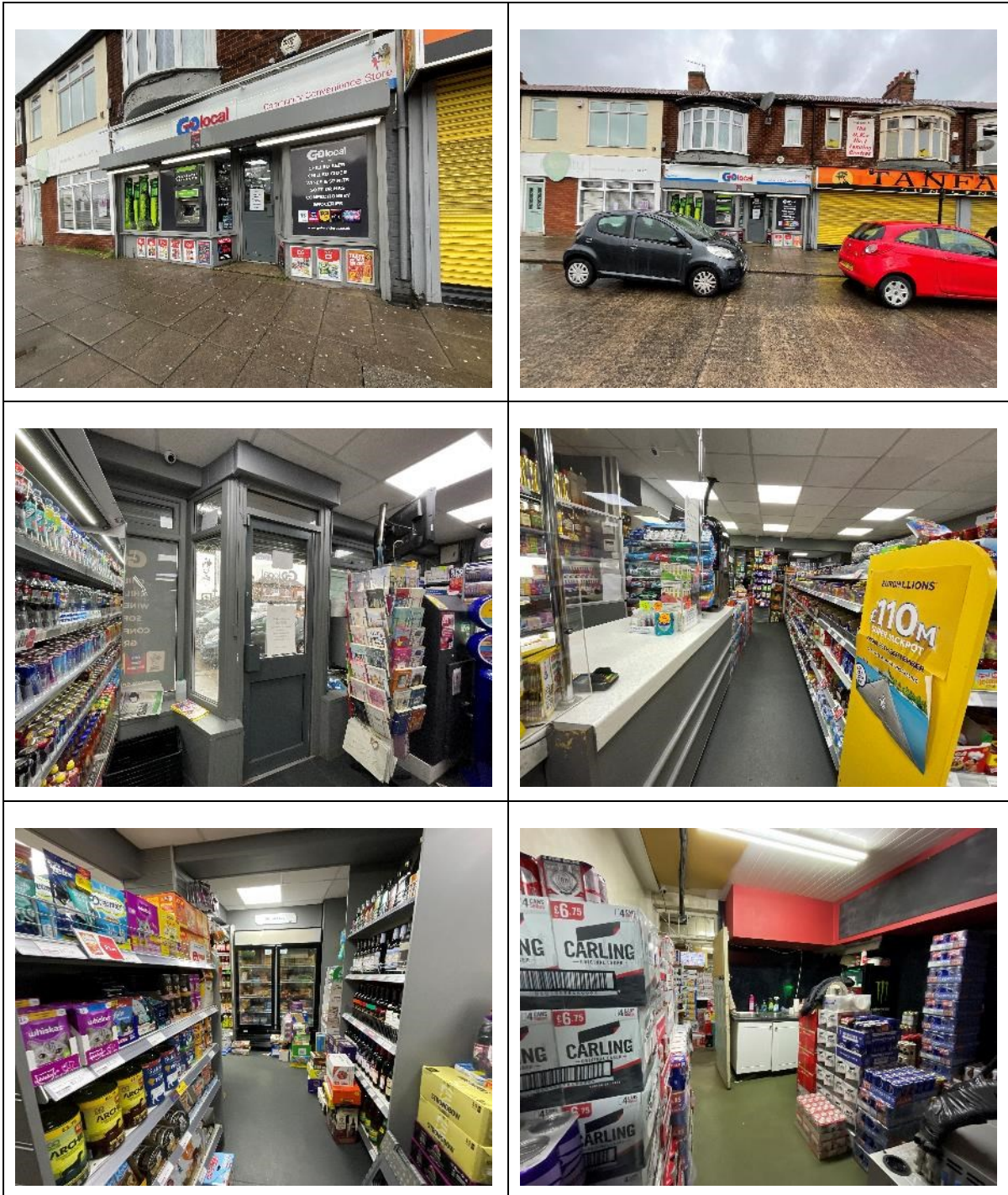
B: Proprietorship Register

This register specifies the class of title and identifies the owner. It contains any entries that affect the right of disposal.

Class of Title: Title absolute

Entry number	Entry date	
1	2022-09-20	PROPRIETOR: AK PROPERTIES NE LTD (Co. Regn. No. 13925890) of 1 Peddars Way, Ingleby Barwick, Stockton-On-Tees TS17 5FQ.
2	2022-09-20	The value stated as at 20 September 2022 was £120,000.

Appendix C. Photographs





Appendix D. Terms of Engagement



Dan Clinch
Head of Agency
Align Property Partners Limited
White Rose House
Thurston Road
Northallerton DL6 2NA

Ashley Louis Gore
1 Peddars
Ingleby Barwick
Stockton on Tees
TS17 5FQ

T: 07947990224
E: dan.clinch@alignpropertypartners.co.uk

Our Ref: CA2202.10.18

26th September 2023

Dear Ashley,

**MARKET VALUATION REPORT
80 WOLVISTON ROAD, BILLINGHAM, TS22 5JF**

I refer to your recent e-mail and am now writing to confirm my understanding of your requirements and consequently provide a fee quote for providing professional estates consultancy services expected to comprise a market valuation report containing market value and market rent.

1.0 PROJECT BRIEF

We understand that you require professional property consultancy advice relating the subject property.

We have therefore prepared this offer letter having regard to the proposed scope of services as outlined in brief below:

2.0 SCOPE OF SERVICES

We consider that the following elements / services are required to meet the objective of providing professional property consultancy services having regard to the agreed framework:

- Site visit, inspection and measurement of the property, including drone photography
- Prepare a valuation report relating to the subject property detailing market rent and market value.

Subject to information being available, we aim to have draft reports available by mid-October

Align Property Partners Ltd,
White Rose House (2nd Floor),
Northallerton Business Park, Thurston Road,
Northallerton, DL6 2NA

www.alignpropertypartners.co.uk

VAT Registration No: 251 4332 37
Company Registration No: 10385861



3.0 THE APP TEAM WHO WILL UNDERTAKE THE EXERCISE

Jake Gamble-Schofield BSc (Hons) – Graduate Surveyor

Daniel Clinch – Head of Agency

Christopher Black BSc (EstMan), MRICS, Registered Valuer – Technical Director of Commercial Agency

We anticipate Ashley Gore being the Client contact.

4.0 EXCLUSIONS

Our offer does not include for the following:

- a. Any specific legal advice that may be required in connection with the exercise.
- b. Any abnormal or excessive co-ordination with consultants or statutory authorities.
- c. Any third party surveys or specialist consultant services that may be required. We will discuss how to proceed in the event of finding any third party surveys to be necessary. Clearly, this may prove to be necessary if matters are not fully agreed before possession of the properties is secured.
- d. Whilst we will engage in repeat requests for information and repeat attempts to contact all interested parties, any particularly protracted enquiries of this nature are excluded from the offer that we have made.

5.0 PROGRAMME

Subject to confirmation of your agreement to the terms set out in this email, and receipt of all required information from yourselves to enable the work to commence, Align Property Partners will then be in a position to progress this commission.

We will of course liaise with you if any matters become protracted or there appears to be a high probability of slippage.

6.0 FEE PROPOSAL

Our fee for completing phase I as outlined in 2.0 "Scope of Services" above is to be a fixed fee of £950 (Nine Hundred and Fifty Pounds) Plus VAT.

This fee is based on the normal requirements for work of this type, as set out in the scope of works. It includes the basic setup of the project and agreeing any further specific matters.

The above fees include for all disbursements, including mileage, printing costs, other travel etc.

We reiterate that the fees quoted exclude VAT, which will be charged at the prevailing rate.

Payment is required within 30 days of invoice.

7.0 CHANGE CONTROL

We would propose the adoption of our change control procedure. The use of this change control procedure will benefit both Client and consultant as it highlights at an early stage, the cost implications of any changes to the project, once the design process has commenced.

If there are changes to our understanding of the requirements as set out in your email, then the fees charged as set out above will be revised accordingly.

8.0 COMPLAINTS HANDLING PROCEDURE

Align Property Partners have a complaints handling procedure in place, compliant with RICS requirements, which is available upon request.

9.0 LIMITATIONS IN LIABILITY TO THE CLIENT AND THIRD PARTIES

Notwithstanding anything to the contrary contained in the Agreement our total liability to the Client under or in connection with the Agreement whether in contract, in tort in negligence or for breach of statutory duty or otherwise shall be limited in the aggregate to the lesser of twenty five times the agreed fee due to the Align Property Partners pursuant to the Agreement or £25,000 provided always that nothing in the Agreement excludes or restricts liability for personal injury or death resulting from negligence

We have a complaints handling procedure in place, compliant with RICS requirements, which is available upon request.

10.0 REPORT FORMAT

The Valuation will be prepared in our standard format, which will be compliant with the Red Book and will take into account any reasonable requests made by you at the relevant time.

11.0 RICS MONITORING

The firm and its valuers are registered with the RICS Valuer Registration.

12.0 ACCEPTANCE

Acceptance of this proposal should be made in writing prior to the commencement of our services by signing and returning a copy of this proposal.

13.0 TERMS & CONDITIONS

This offer of services is open for acceptance for 30 days from the date of this letter and is subject to our Terms of Business in accordance with the Collaborative Agreement.

We trust this proposal and outline information is in accordance with your requirements and is therefore acceptable to yourselves. Should you have any queries or wish to discuss the above then please do not hesitate to contact Daniel Clinch at the Northallerton office of Align Property Partners.

Yours Sincerely



Ron Walton
Managing Director

ENCS: Terms of Business

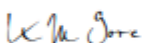

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Acceptance Statement

I accept the details and Terms of Business stated within the above proposal – Market Valuation of - 80
WOLVISTON ROAD, BILLINGHAM, TS22 5JF

Kayleigh Gore - Director AK Properties NE LTD

Name:

Signature:  

Date: 04/10/2023

Appendix E. Lease

COMMERCIAL LEASE AGREEMENT

THIS LEASE (this "Lease") dated this 5th day of September 2023

BETWEEN:

AK Properties NE LTD of 1 Peddars Way, Ingleby Barwick TS17 5FQ

Telephone: 07834553223 Email: kayleighcrone@hotmail.co.uk

(the "Landlord")

OF THE FIRST PART

- AND -

Belle Vue Stores North East Limited of 80 Wolviston Road, Billingham TS22 5JF

Telephone: _____

(the "Tenant")

AGREED TERMS

Interpretation

The following definitions and rules of interpretation apply in this lease.

Definitions:

Annual Rent: rent at a rate of £13,200.00 per annum and then as revised under **Error! Reference source not found.** and any interim rent determined under the LTA 1954.

Authorised Person: any:

- a) undertenant or person deriving title under the Tenant;
- b) workers, contractors or agents of the Tenant or of any person referred to in paragraph (a) of this definition; or
- c) person at the Property with the actual or implied authority of the Tenant or any person referred to in paragraph (a) or paragraph (b) of this definition.

Building means all buildings, improvements, equipment, fixtures, property and facilities from time to time located at 80 Wolviston Road, Billingham, TS22 5JF (ground floor only), as from time to time altered, expanded or reduced by the Landlord in its sole discretion;

CDM Regulations: the Construction (Design and Management) Regulations 2015 (SI 2015/51).

Contractual Term: a term of 10 years from and including the date of this lease.

Default Interest Rate: [4]% per annum above the Interest Rate.

Energy Assessor: an individual who is a member of an accreditation scheme approved by the Secretary of State in accordance with regulation 22 of the EPC Regulations.

Energy Performance Certificate: a certificate as defined in regulation 2(1) of the EPC Regulations.

Excluded Insurance Items: any:

- a) glass in the shopfront of the Property; and
- b) tenant's fixtures that are installed by or for the Tenant, any undertenant or occupier of the Property and that form part of the Property.

Insolvency Event: subject to **Error! Bookmark not defined.****Error! Reference source not found.**, any one or more of the following:

- a) the taking of any step in connection with any voluntary arrangement or any other compromise or arrangement for the benefit of any creditors of the Tenant or any guarantor;
- b) the making of an application for an administration order or the making of an administration order in relation to the Tenant or any guarantor;
- c) the giving of any notice of intention to appoint an administrator, or the filing at court of the prescribed documents in connection with the appointment of an administrator, or the appointment of an administrator, in any case in relation to the Tenant or any guarantor;
- d) the appointment of a receiver or manager or an administrative receiver in relation to any property or income of the Tenant or any guarantor;
- e) the commencement of a voluntary winding-up in respect of the Tenant or any guarantor, except a winding-up for the purpose of amalgamation or reconstruction of a solvent company in respect of which a statutory declaration of solvency has been filed with the Registrar of Companies;
- f) the making of a petition for a winding-up order or a winding-up order in respect of the Tenant or any guarantor;
- g) the striking-off of the Tenant or any guarantor from the Register of Companies or the making of an application for the Tenant or any guarantor to be struck-off;
- h) the Tenant or any guarantor otherwise ceasing to exist (but excluding where the Tenant or any guarantor dies);
- i) the making of an application for a bankruptcy order, the presentation of a petition for a bankruptcy order or the making of a bankruptcy order against the Tenant or any guarantor; [or]

j) [the making of an application to court for, or obtaining, a moratorium under Part A1 of the Insolvency Act 1986 in relation to the Tenant or any guarantor[. **OR** ; or]]

k) [the levying of any execution or other such process on or against, or taking control or possession of, the whole or any part of the Tenant's assets.]

Insured Risks: (except to the extent any of the following are Uninsured Risks) fire, explosion, lightning, earthquake, tempest, storm, flood, bursting and overflowing of water tanks, apparatus or pipes, damage to underground water, oil or gas pipes or electricity wires or cables, impact by aircraft and aerial devices and articles dropped from them, impact by vehicles, [terrorism,] subsidence, ground slip, heave, riot, civil commotion, strikes, labour or political disturbances, malicious damage, and any other risks against which the Landlord decides to insure against from time to time and **Insured Risk** means any one of the Insured Risks.

Insurance Charge means the cost to the Landlord of effecting and maintaining the Insurance Policies from, and including, any premiums paid and, where relevant, the cost of assessing any insured amounts;

Insurance Policies means the insurance policy or policies maintained by the Landlord in respect of the Premises covering damage by Insured Risks, loss of Rent, public liability and all other insurance relating to the Building as placed by the Landlord from time to time, acting prudently;

LPA 1925: Law of Property Act 1925.

LTA 1927: Landlord and Tenant Act 1927.

LTA 1954: Landlord and Tenant Act 1954.

Premises means the retail store at 80 Wolviston Road, Billingham, TS22 5JF.

- i. those portions of the Building areas, buildings, improvements, facilities, utilities, equipment and installations in or forming part of the Building which from time to time are not designated or intended by the Landlord to be let to tenants of the Building including, without limitation, exterior weather walls, roofs, entrances and exits, parking areas, driveways, loading docks and area, storage, mechanical and electrical rooms, areas above and below lettable premises and not included within lettable premises, security and alarm equipment, grassed and landscaped areas, retaining walls and maintenance, cleaning and operating equipment serving the Building; and
- ii. those lands, areas, buildings, improvements, facilities, utilities, equipment and installations which serve or are for the useful benefit of the Building, the tenants of the Building or the Landlord and those having business with them, whether or not located within, adjacent to or near the Building and which are designated from time to time by the Landlord as part of the Common Areas and Facilities;

Property: the property described in **Error! Reference source not found..**

Property Damage: damage to or destruction of the Property (excluding the Excluded Insurance Items) that makes the Property wholly or partially unfit for occupation and use.

Rents: the rents set out in **Error! Bookmark not defined.****Error! Reference source not found..**

Rent Commencement Date: 5th September 2023

Rent Payment Dates: the 5th day of every month

Signs: signs, fascia, awnings, placards, boards, posters and advertisements.

Tenant Damage: damage or destruction caused by an act or omission of the Tenant or any Authorised Person.]

Tenant's Plant: any air-conditioning plant and wireless network equipment, and television aerials and satellite dishes and other plant and equipment reasonably required by the Tenant in connection with the Tenant's use of the Property for the Permitted Use/

Tenant's Plant Works: external non-structural works to install, repair and maintain the Tenant's Plant.

Term: the Contractual Term [and any statutory continuation of this lease].

Termination Date: the date on which the Term ends (however it ends).

Uninsured Risks: any of the risks specified in the definition of Insured Risks where such risks are not insured against at the date of the relevant damage or destruction because of an exclusion imposed by the insurers or insurance for such risks was not available in the London insurance market on reasonable terms acceptable to the Landlord at the time the insurance policy was entered into and **Uninsured Risk** means any one of the Uninsured Risks.

Utilities: electricity, gas, water, sewage, air-conditioning, heating, energy, telecommunications, data and all other services and utilities.

Utility Costs: all costs in connection with the supply or removal of Utilities to or from the Property (or a fair proportion of the total cost if any of those costs are payable in respect of the Property together with any other property).

Intent of Lease

It is the intent of this Lease and agreed to by the Parties to this Lease that rent for this Lease will be on a gross rent basis meaning the Tenant will pay the Base Rent and any Additional Rent and the Landlord will be responsible for all other service charges related to the Premises and the operation of the Building save as specifically provided in this Lease to the contrary.

Let Premises

The Landlord agrees to let to the Tenant the retail store municipally described as 80 Wolviston Road, Billingham, TS22 5JF, (the "Premises").

The Premises will be used for only the following permitted use (the "Permitted Use"): Retail Shop/Convenience Store.

The Premises form only part of a Building. They do not include any part of the main structure, foundations, roof or exterior of that Building but they do

include window frames and plate glass, doors and door frames, raised floors and suspended ceilings and the voids above and below them, light fittings and other landlord's fixtures and fittings.

Term

The term of the Lease is a periodic tenancy commencing at 12:00 noon on 05 September 2023 and continuing on a 10 year basis until the Landlord or the Tenant terminates the tenancy (the "Term").

Security of Tenure

The Landlord and the Tenant have agreed that sections 24 to 28 of the Landlord and Tenant Act 1954 do not apply to this Lease.

The Landlord has served on the Tenant a notice in the form, or substantially in the form, set out in Schedule 1 to the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 ("the Order").

The requirements specified in Schedule 2 to the Order have been met in that the Tenant has made the appropriate declaration in the form, or substantially in the form, set out in Schedule 2 to the Order.

Payment of Annual Rent

The Tenant must pay the Annual Rent by twelve equal instalments in advance on or before the Rent Payment Dates except that:

The Tenant will pay the Base Rent on or before the fifth of each and every month of the Term to the Landlord.

The Tenant must pay the first instalment of Annual Rent on the Rent Commencement Date; and

That first instalment of Annual Rent shall be £1100.00 for the period from and including the Rent Commencement Date to and including the day before the next Rent Payment Date after the Rent Commencement Date.

Payment method

The Tenant must pay the Annual Rent and all other sums payable under this lease by:

electronic means from an account held in the name of AK Properties NE LTD the Tenant to the account notified from time to time to the Tenant by the Landlord; or

any other method that the Landlord reasonably requires from time to time and notifies to the Tenant.

No set-off

The Tenant must pay the Annual Rent and all other sums payable under this lease in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

The Tenant will indemnify the Landlord for all rates, taxes, assessments, duties, charges, impositions and outgoings imposed on the Premises, or any owner or occupier of it, during the Term, including all costs reasonably incurred by the Landlord in connection with appealing against the rating evaluation of the Premises.

No acceptance by the Landlord of any amount less than the full amount owed will be taken to operate as a waiver by the Landlord for the full amount or in any way to defeat or affect the rights and remedies of the Landlord to pursue the full amount.

Rent Review

If the Term of this Lease is greater than five years, the Landlord and Tenant will review the Base Rent after each five-year period, which Base Rent will become effective at the commencement of the following five-year period.

For any rent review, the Base Rent will be calculated as being the higher of the Base Rent payable immediately before the date of review and the Open Market Rent on the date of review.

The rent review will assume that:

the Premises are fit for occupation by a willing tenant;

the Premises may be lawfully let for the Permitted Use;

the Landlord and Tenant have complied with their respective obligations in this Lease; and

if the Premises have been damaged or destroyed, they have been fully repaired.

The rent review will disregard:

- the fact that the Tenant, or any predecessor or subtenant, occupied the Premises;
- any goodwill attached to the Premises because of the Tenant's occupation;
- any work done to the Premises that was not done pursuant to an obligation in this Lease; and
- any activities on, or work done to, any adjoining premises.

If the Landlord and Tenant cannot agree on the Base Rent on the date of review, either the Landlord or Tenant may request the President of the Royal Institution of Chartered Surveyors to appoint an arbitrator to determine the Open Market Rent, in arbitration conducted in accordance with the Arbitration Act 1996, which determination will be binding on the Landlord and Tenant.

If the arbitrator is incapable or unwilling to act, the Landlord or Tenant may request the President of the Royal Institution of Chartered Surveyors to appoint a replacement.

The results of the rent review will be recorded in a memorandum that will be signed by the Landlord and Tenant.

Rates and Taxes

The Tenant must pay all Rates and Taxes.

The Tenant must not make any proposal to alter the rateable value of the Property (or that value as it appears on any draft rating list) without the approval of the Landlord.

If, after the Termination Date, the Landlord loses rating relief (or any similar relief or exemption) because it has been allowed to the Tenant, the Tenant must pay the Landlord an amount equal to the relief or exemption that the Landlord has lost.

Utilities

The Tenant must pay all Utility Costs.

The Tenant must comply with all laws and with any recommendations of the relevant suppliers relating to the supply and removal of Utilities to or from the Property.

Common items

The Tenant must pay to the Landlord on demand a fair proportion of all costs payable by the Landlord for the maintenance, repair, lighting, cleaning and renewal of all

Service Media, structures and other items not on or in the Property but used or capable of being used by the Property in common with other land.

Use and Occupation

The Tenant will carry on business under the name of Belle Vue Stores North East Limited and will not change such name without the prior written consent of the Landlord, such consent not to be unreasonably withheld. The Tenant will open the whole of the Premises for business to the public fully fixtured, stocked and staffed on the date of commencement of the Term and throughout the Term, and will continuously occupy and utilise the entire Premises in the active conduct of its business in a reputable manner on such days and during such hours of business as may be determined from time to time by the Landlord.

The Tenant covenants that the Tenant will carry on and conduct its business from time to time carried on upon the Premises in such manner as to comply with any statute, including any subordinate legislation, which is in force now or in the future and taking into account any amendment or re-enactment, or any government department, local authority, other public or competent authority or court of competent jurisdiction and of the insurers in relation to the use, occupation and enjoyment of the Building (including in relation to health and safety compliance with the proper practice recommended by all appropriate authorities).

Quiet Enjoyment

The Landlord covenants that on paying the Rent and performing the covenants contained in this Lease, the Tenant will peacefully and quietly have, hold, and enjoy the Premises for the agreed term.

Distress

If and whenever the Tenant is in default in payment of the Rent owed under this Lease, interest on that Rent and any value added tax in respect to that Rent, the Landlord may use the commercial rent arrears recovery (the "CRAR") procedure set out in Schedule 12 (Taking control of goods) of the Tribunals, Courts and Enforcement Act 2007 to have an enforcement agent use its enforcement power to take control of the Tenant's goods and sell them to recover that outstanding amount.

If the Tenant continues to occupy the Premises without the written consent of the Landlord at the expiration or other termination of the Term, then the Tenant will be a tenant at will and will pay to the Landlord, as liquidated damages and not as rent, an amount equal to twice the Base Rent plus any Additional Rent during the period of such occupancy, accruing from day to day and adjusted pro rata accordingly, and subject always to all the other provisions of this Lease insofar as they are applicable to a tenancy at will and a tenancy from month to month or from year to year will not be created by

implication of law; provided that nothing in this clause contained will preclude the Landlord from taking action for recovery of possession of the Premises.

Landlord Chattels

The Landlord agrees to supply and the Tenant agrees to use and maintain in reasonable condition, normal wear and tear excepted, the following chattels:

Shelving Units; and

Fridges x4.

Tenant Improvements

The Tenant will obtain written permission from the Landlord before doing any of the following:

painting, wallpapering, redecorating or in any way significantly altering the appearance of the Premises;

removing or adding walls, or performing any structural alterations;

changing the amount of heat or power normally used on the Premises as well as installing additional electrical wiring or heating units;

subject to this Lease, placing or exposing or allowing to be placed or exposed anywhere inside or outside the Premises any placard, notice or sign for advertising or any other purpose;

affixing to or erecting upon or near the Premises any radio or TV antenna or tower, or satellite dish;
or

installing or affixing upon or near the Premises any plant, equipment, machinery or apparatus without the Landlord's prior consent.

Insurance

The Tenant is hereby advised and understands that the personal property of the Tenant is not insured by the Landlord for either damage or loss, and the Landlord assumes no liability for any such loss. The Tenant is advised that, if insurance coverage is desired by the Tenant, the Tenant should inquire of Tenant's insurance agent regarding a Tenant's policy of insurance.

The Tenant is responsible for insuring the Premises for damage or loss to the structure, mechanical or improvements to the Building on the Premises for the benefit of the Tenant and the Landlord. Such insurance should include such risks as fire, theft, vandalism, flood and disaster.

The Tenant is responsible for insuring the Premises for occupiers' liability insurance for the benefit of the Tenant and the Landlord.

Abandonment

If at any time during the Term, the Tenant abandons the Premises or any part of the Premises, the Landlord may, at its option, enter the Premises by any means without being liable for any prosecution for such entering, and without becoming liable to the Tenant for damages or for any payment of any kind whatever, and may, at the Landlord's discretion, as agent for the Tenant, relet the Premises, or any part of the Premises, for the whole or any part of the then unexpired Term, and may receive and collect all rent payable by virtue of such reletting, and, at the Landlord's option, hold the Tenant liable for any difference between the Rent that would have been payable under this Lease during the balance of the unexpired Term, if this Lease had continued in force, and the net rent for such period realised by the Landlord by means of the reletting. If the Landlord's right of reentry is exercised following abandonment of the premises by the Tenant, then the Landlord may consider any personal property belonging to the Tenant and left on the Premises to also have been abandoned, in which case the Landlord may dispose of all such personal property in any manner the Landlord will deem proper in compliance with the Torts (Interference with Goods) Act 1977 and is relieved of all liability for doing so.

Governing Law

This Agreement will be construed in accordance with and governed by the laws of England and the Parties submit to the exclusive jurisdiction of the English Courts.

Severability

If there is a conflict between any provision of this Lease and the applicable legislation of England (the 'Act'), the Act will prevail and such provisions of the Lease will be amended or deleted as necessary in order to comply with the Act. Further, any provisions that are required by the Act are incorporated into this Lease.

Assignment and Subletting

Assignments

The Tenant may assign the whole of this lease with the consent of the Landlord (such consent not to be unreasonably withheld).

The Landlord and the Tenant agree that, for the purposes of section 19(1A) of the LTA 1927, the Landlord may give its consent to an assignment subject to all or any of the following conditions:

a condition that the assignor enters into an authorised guarantee agreement in favour of the Landlord which:

is in respect of all the tenant covenants of this lease;

is in respect of the period beginning with the date the assignee becomes bound by those covenants and ending on the date when the assignee is released from those covenants by virtue of section 5 of the LTCA 1995;

imposes principal debtor liability on the assignor;

requires (in the event of a disclaimer of this lease) the assignor to enter into a new tenancy for a term equal to the unexpired residue of the Contractual Term; and

is otherwise in a form reasonably required by the Landlord;

a condition that the assignee enters into a rent deposit deed with the Landlord in a form reasonably required by the Landlord and for an initial deposit of six months' Annual Rent (as at the date of assignment) plus a sum equivalent to VAT on that Annual Rent.

The Landlord and the Tenant agree that, for the purposes of section 19(1A) of the LTA 1927, the Landlord may refuse its consent to an assignment if any of the following circumstances exist:

the Annual Rent or any other sum due under this lease [(where that other sum is not the subject of a genuine dispute with the Landlord)] is outstanding;

there is a material breach of covenant by the Tenant that has not been remedied; or

in the Landlord's reasonable opinion the assignee is not of sufficient financial standing to enable it to comply with the Tenant's covenants and conditions contained in this lease.

Nothing in this clause shall prevent the Landlord from giving consent subject to any other reasonable condition nor from refusing consent to an assignment in any other circumstance where it is reasonable to do so.

Signs

The Tenant may display such trade posters and advertisements at the Property of a design, size and number and in positions that are appropriate to the nature and location of the Property and to the Permitted Use.

The Tenant must allow the Landlord to fix to and keep at the Property:

during the 3 month period before the Termination Date, any re-letting board as the Landlord reasonably requires except where there is a genuine prospect of the Tenant renewing this lease and the Tenant is genuinely and actively pursuing that renewal; and

at any time during the Term, any sale board as the Landlord reasonably requires.

Window displays and window cleaning

The Tenant must:

keep the shopfront of the Property and any windows at the Property appropriately lit and dressed during the hours that the Property is open for trade; and

as often as reasonably necessary, the Tenant must clean the internal and external surfaces of the shopfront and any windows or other glass at the Property.

Returning the Property to the Landlord

The Tenant must return the Property to the Landlord on the Termination Date with vacant possession and in the repair and condition required by this lease.

Keyholders and emergency contact details

The Tenant must provide to the Landlord in writing the names, addresses[, email addresses] and telephone numbers of at least [two] people who each:

hold a full set of keys for the Property;

hold all the access codes for the Tenant's security systems (if any) at the Property; and

may be contacted in case of emergency at any time outside the Tenant's usual business hours.

Compliance with laws

The Tenant must comply with all laws relating to:

the Property and the occupation and use of the Property by the Tenant;

the use or operation of all Service Media [, the Tenant's Plant] and any other machinery and equipment at or serving the Property whether or not used or operated;

any works carried out at the Property; and

all materials kept at or disposed of from the Property.

Within [five] working days of receipt of any notice or other communication affecting the Property (and whether or not served pursuant to any law) the Tenant must:

send a copy of the relevant document to the Landlord; and

take all steps necessary to comply with the notice or other communication and take any other action in connection with it as the Landlord may require.

The Tenant must not:

apply for any planning permission for the Property without the Landlord's consent (such consent not to be unreasonably withheld where the application relates to works or a change of use permitted under this lease); or

implement any planning permission for the Property without the Landlord's consent (such consent not to be unreasonably withheld).

Unless the Landlord otherwise notifies the Tenant, before the Termination Date the Tenant must carry out and complete any works stipulated to be carried out to the Property (whether before or after the Termination Date) as a condition of any planning permission for the Property that is implemented before the Termination Date by the Tenant, any undertenant or any other occupier of the Property.

The Tenant must:

comply with its obligations under the CDM Regulations;

maintain the health and safety file for the Property in accordance with the CDM Regulations;

give that health and safety file to the Landlord at the Termination Date;

procure, and give to the Landlord at the Termination Date, irrevocable, non-exclusive, non-terminable, royalty-free licence(s) for the Landlord to copy and make full use of that health and safety file for any purpose relating to the Property. Those licence(s) must carry the right to grant sub-licences and be transferable to third parties without the consent of the grantor; and

supply all information to the Landlord that the Landlord reasonably requires from time to time to comply with the Landlord's obligations under the CDM Regulations.

As soon as the Tenant becomes aware of any defect in the Property, the Tenant must give the Landlord notice of it.

The Tenant must indemnify the Landlord against any liability under the Defective Premises Act 1972 in relation to the Property by reason of any failure of the Tenant to comply with any of the tenant covenants in this lease.

The Tenant must keep:

the Property equipped with all fire prevention, detection and fighting machinery and equipment and fire alarms which are required under all relevant laws or required by the insurers of the Property and

that machinery, equipment and alarms properly maintained and available for inspection.

Energy Performance Certificates

The Tenant must:

co-operate with the Landlord so far as is reasonably necessary to allow the Landlord to obtain an Energy Performance Certificate and Recommendation Report for the Property [including providing the Landlord with copies of any plans or other information held by the Tenant that would assist in obtaining an Energy Performance Certificate and Recommendation Report]; and

allow such access to any Energy Assessor appointed by the Landlord as is reasonably necessary to inspect the Property for the purposes of preparing an Energy Performance Certificate and Recommendation Report for the Property.

The Tenant must not commission an Energy Performance Certificate for the Property unless required to do so by the EPC Regulations.

Where the Tenant is required by the EPC Regulations to commission an Energy Performance Certificate for the Property, the Tenant must at the request of the Landlord either:

commission an Energy Performance Certificate from an Energy Assessor approved by the Landlord; or

pay the costs of the Landlord of commissioning an Energy Performance Certificate for the Property.

The Tenant must deliver to the Landlord a copy of any Energy Performance Certificate and Recommendation Report for the Property that is obtained or commissioned by the Tenant or any other occupier of the Property.

Exercise of right of entry

In exercising any right of entry on to the Property pursuant to **Error! Bookmark not defined.****Error! Reference source not found.** of **Error! Reference source not found.**, the Landlord must:

except in case of emergency, give reasonable notice of its intention to exercise that right to the Tenant;

where reasonably required by the Tenant, exercise that right only if accompanied by a representative of the Tenant;

cause as little damage as possible to the Property and to any property belonging to or used by the Tenant;

cause as little inconvenience as reasonably possible to the Tenant; and

promptly make good any physical damage caused to the Property by reason of the Landlord exercising that right.

Re-entry and forfeiture

The Landlord may re-enter the Property (or any part of the Property in the name of the whole) at any time after any of the following occurs:

the whole or any part of the Rents is unpaid 21 days after becoming payable (whether it has been formally demanded or not);

any breach of any condition of, or tenant covenant in, this lease; or

an Insolvency Event.

If the Landlord re-enters the Property (or any part of the Property in the name of the whole) pursuant to this clause, this lease shall immediately end but without prejudice to any right or remedy of the Landlord in respect of any breach of covenant by the Tenant or any guarantor,

Bulk Sale

No bulk sale of goods and assets of the Tenant may take place without first obtaining the written consent of the Landlord, which consent will not be unreasonably withheld so long as the Tenant and the Purchaser are able to provide the Landlord with assurances, in a form satisfactory to the Landlord, that the Tenant's obligations in this Lease will continue to be performed and respected, in the manner satisfactory to the Landlord, after completion of the said bulk sale.

Maintenance

The Tenant will, at its sole expense, keep and maintain the Premises and appurtenances in good and sanitary condition and repair during the Term and any renewal of this Lease.

In particular, the Tenant will keep the fixtures in the Premises in good order and repair. The Tenant will, at Tenant's sole expense, make all required repairs to the plumbing, range, heating apparatus, and electric and gas fixtures whenever damage to such items will have resulted from the Tenant's misuse, waste, or neglect or that of the Tenant's employee, family, agent, or visitor.

The Tenant will be responsible at its own expense to replace all electric light bulbs, tubes, ballasts or fixtures serving the Premises.

Care and Use of Premises

The Tenant will promptly notify the Landlord of any damage, or of any situation that may significantly interfere with the normal use of the Premises or to any furnishings or other property supplied by the Landlord

The Tenant will not make (or allow to be made) any noise or nuisance which, in the reasonable opinion of the Landlord, disturbs the comfort or convenience of other tenants.

The Tenant will not engage in any illegal trade or activity on or about the Premises.

The Landlord and Tenant will comply with standards of health, sanitation, fire, housing and safety as required by law.

Surrender of Premises

At the expiration of the lease term, the Tenant will quit and surrender the Premises in as good a state and condition as they were at the commencement of this Lease, reasonable use and wear and damages by the elements excepted.

Hazardous Materials

The Tenant will not keep or have on the Premises any article or thing of a dangerous, flammable, or explosive character that might unreasonably increase the danger of fire on the Premises or that might be considered hazardous by any responsible insurance company.

Rules and Regulations

The Tenant will obey all rules and regulations posted by the Landlord regarding the use and care of the Building, car park and other common facilities that are provided for the use of the Tenant in and around the Building on the Premises.

General Provisions

Any waiver by the Landlord of any failure by the Tenant to perform or observe the provisions of this Lease will not operate as a waiver of the Landlord's rights under this Lease in respect of any subsequent defaults, breaches or nonperformance and will not defeat or affect in any way the Landlord's rights in respect of any subsequent default or breach.

This Lease will extend to and be binding upon and inure to the benefit of the respective heirs, executors, administrators, successors and assigns, as the case may be, of each party to this Lease. All covenants are to be construed as conditions of this Lease.

All sums payable by the Tenant to the Landlord pursuant to any provision of this Lease will be deemed to be Additional Rent and will be recoverable by the Landlord as rental arrears.

Where there is more than one Tenant executing this Lease, all Tenants are jointly and severally liable for each other's acts, omissions and liabilities pursuant to this Lease.

The provisions of Section 196 of the Law of Property Act 1925, as amended by the Recorded Delivery Services Act 1962, will apply to the giving and service of all notices and documents under or in connection with this Lease.

Time is of the essence in this Lease.

This Lease will constitute the entire agreement between the Landlord and the Tenant. Any prior understanding or representation of any kind preceding the date of this Lease will not be binding on either party to this Lease except to the extent incorporated in this Lease. In particular, no warranties of the Landlord not expressed in this Lease are to be implied.

The Parties do not intend for any term of this Lease to be enforceable by a person that is not party to this Lease pursuant to the Contracts (Rights of Third Parties) Act 1999.

The Tenant will pay the stamp duty land tax on this Lease and any amending document.