

DATED 26th April 2017

HASTINGS BOROUGH COUNCIL (1)

and

CAGLAR KANIK (2)

LEASE

Of

UNIT 2

BREEDS PLACE, HASTINGS

TN34 3AA

(a)	
LR1. Date of Lease	26th April 2017
LR2. Title number(s)	<p>LR2.1 Landlord's title number(s) HT11533</p> <p>LR2.2 Other title numbers</p>
LR3. Parties to this lease	<p>Landlord Hastings Borough Council Muriel Matters House, Breeds Place, Hastings, East Sussex, TN34 3UY</p> <p>Tenant Caglar Kanik of Flat 1, 19 Havelock Road, Hastings, East Sussex, TN34 1BP</p>
LR4. Property	<p>In the case of a conflict between this clause and the remainder of this lease then, for the purposes of registration, this clause shall prevail.</p> <p>ALL THAT part of the Building known as Unit 2, Breeds Place, Hastings, TN34 3AA (hereinafter called "the Premises") which is outlined red on the Plan annexed hereto</p>
LR5. Prescribed statement etc.	<p><i>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.</i></p> <p>None</p> <p><i>LR5.2 This lease is made under, or by reference to, provisions of:</i></p> <p><i>Leasehold Reform Act 1967</i></p> <p><i>Housing Act 1985</i></p> <p><i>Housing Act 1988</i></p> <p><i>Housing Act 1996</i></p>

LR6. Term for which the Property is leased	<p>From and including 26th April 2017</p> <p>To and including 25th April 2023</p>
LR7. Premium	NIL
LR8. Prohibitions or restrictions on disposing of this lease	<p>This Lease does not contain a provision that prohibits or restricts dispositions</p> <p>This Lease contains a provision that prohibits or restricts dispositions</p>
LR9. Rights of acquisition etc.	<p>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</p> <p>LR9.2 Tenant's covenant to (or offer to) surrender this lease</p> <p>LR9.3 Landlord's contractual rights to acquire this lease</p>
LR10. Restrictive covenants given in this lease by the Landlord in respect of land other than the Property	
LR11. Easements	<p>LR11.1 Easements granted by this lease for the benefit of the Property</p> <p>Schedule 2</p> <p>LR11.2 Easements granted or reserved by this lease over the Property for the benefit of other property</p> <p>Schedule 3</p>
LR12. Estate rentcharge burdening the Property	None

LR13. Application for standard form of restriction	<p>The Parties to this lease apply to enter the following standard form of restriction against the title of the Property</p> <p>"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any Charge is to be registered without written consent signed on behalf of Hastings Borough Council of Muriel Matters House, Breeds Place, Hastings, East Sussex, TN34 3UY, by an authorised signatory."</p>
LR14. Declaration of trust where there is more than one person comprising the Tenant	N/A

Other particulars

15. Initial Rent	TWELVE THOUSAND FIVE HUNDRED POUNDS (£12,500) per annum exclusive
16. Rent Commencement Date	26th April 2017
17. Rent Review Date	26th April 2020
18. Permitted Use	As retail use within Class A1 of the Town and Country (Use Classes) Order 1987
19. Tenants Break Dates	26th April 2020

TABLE OF CONTENTS

	Page No.
1. Definitions and Interpretation	1
2. Demise and Rents.....	5
3. Tenant's Covenants.....	6
4. Landlord's Covenants.....	17
5. Provisos and Agreements	17
6. Insurance	20
7. Tenant's Option to Determine.....	25
8. Rights of Third Parties	25
SCHEDULE 1.....	26
Description of the Property	26
SCHEDULE 2.....	27
Rights Included in the Demise.....	27
SCHEDULE 3.....	28
Exceptions and Reservations out of the Demise	28
SCHEDULE 4.....	29
Matters subject to which the Lease is Granted.....	29
SCHEDULE 5.....	30
The Rent Review	30
SCHEDULE 6.....	33
Services and Service Charge	33

PARTIES:

- (1) **HASTINGS BOROUGH COUNCIL** of Muriel Matters House Breeds Place Hastings East Sussex TN34 3UY ("the Landlord") of the one part and
- (2) **CAGLAR KANIK** of Flat 1, 19 Havelock Road, Hastings, East Sussex, TN34 1BP ("the Tenant") of the other part

IT IS AGREED as follows:

1. Definitions and Interpretation

- 1.1 In this Lease unless the context requires otherwise the following words and expressions shall have the following meanings:

Accounting Date:	31 December in every year or any other date that is designated from time to time in writing by the Landlord
1954 Act:	the Landlord and Tenant Act 1954
1995 Act:	the Landlord and Tenant (Covenants) Act 1995
Break Date:	26 th April 2020
Building:	Muriel Matters House, Breeds Place, Hastings, East Sussex TN34 3UY (and each and every part of it) and registered at the Land Registry under Title No. HT11533
Common Parts:	all those parts of the Building that are from time to time (and reflecting any changes to the layout of the Building) provided by the Landlord for common use and enjoyment by the tenants and occupiers of the Building and all persons expressly or by implication authorised by them including entrances lobbies passages staircases fire escapes pavements roadways forecourts loading bays parking areas landscaped areas refuse collection and disposal areas toilets plant equipment and other features and facilities (both functional and decorative) of the Building excluding the Lettable Areas
Conduit:	any conducting medium or other thing by means of which any facility service or substance may pass

Contractual Term:	From and including 26th April 2017 to and including 25th April 2023
DEC:	a Display Energy Certificate and Advisory Report as defined in regulation 2 of the EPB Regulations
EPB Regulations:	the Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Regulations 2012
EPC:	an Energy Performance Certificate and Recommendation Report as defined in regulation 2 of the EPB Regulations
Excluded Risk:	any Specified Risk to the extent the Landlord does not insure against such risk or in relation to which there is a limitation or exclusion such that the full cost of reinstatement and rebuilding (save for any normal excess) is not recoverable under the policy or policies of insurance effected by the Landlord for the Building
Expenditure:	the aggregate of the reasonable and proper costs and expenses incurred by the Landlord in providing the Services and all Other Expenses incurred by the Landlord including any VAT (to the extent that the Landlord cannot recover the same as input tax) incurred by the Landlord in relation to the Services and Other Expenses
Group Company:	a company that is a member of the same group as the Landlord or the Tenant (as appropriate) within the meaning of Section 42 of the Landlord and Tenant Act 1954 (as amended)
Insurance Rent:	the sums payable by the Tenant in accordance with the provisions of clause 6
Insured Risks:	the Specified Risks but excluding any Excluded Risk
Interest Rate:	interest at four per cent per annum above the base rate of Bank of England from time to time in force or should such base rate cease to exist such other rate of interest as compares most closely therewith and as shall be prescribed by the Landlord and "interest" means interest at the Interest Rate during the period from the date on which the payment is due to the date

	on which payment is received both before and after any judgment
the Landlord:	shall include all persons for the time being entitled to the reversion immediately expectant upon the determination of the Term hereby granted
Landlord's Surveyor:	any qualified person or firm appointed by or acting for the Landlord (including an employee of the Landlord or a Group Company of the Landlord and including also the person firm or company (or an employee thereof) appointed by the Landlord to collect the rents)
this Lease:	this Lease and any document which is supplemental to it whether or not it is expressly stated to be so
Lettable Areas:	the accommodation in the Building from time to time let or intended for or capable of letting by the Landlord
Other Expenses:	the costs and expenses listed in paragraph 1.2 of Schedule 6
Permitted Use:	As retail use within Class A1 of the Town and Country (Use Classes) Order 1987
the Plan:	the plan annexed to this Lease
Planning Acts:	the Town and Country Planning Act 1990 the Planning (Listed Buildings and Conservation Areas) Act 1990 the Planning (Hazardous Substances) Act 1990 the Planning (Consequential Provisions) Act 1990 the Planning and Compensation Act 1991 and the Planning and Compulsory Purchase Act 2004
the Premises:	the property described in Schedule 1 including all landlord's fixtures and fittings and all improvements alterations and additions thereto
Provisional Service Charge:	until the first Accounting Date and thereafter for the period between each successive Accounting Date such sum as the Landlord or the Landlord's Surveyor shall (acting reasonably) certify as a fair and reasonable estimate of the Service Charge for that period and if for any period there is no such determination the sum in respect of the

in force except in relation to the Town and Country Planning (Use Classes) Order 1987 which shall mean such Order as in force at the date hereof

- 1.4 References to any right of the Landlord to have access to the Premises shall be construed as extending to all persons properly authorised by the Landlord
- 1.5 In any case in which the consent or approval of the Landlord is required under this Lease:
- (a) such consent or approval shall be required to be in writing or if the Landlord so requires by deed and
 - (b) the giving of such consent shall be conditional upon the consent of any superior lessor or mortgagee being obtained so far as may be required and the Landlord shall at the request and cost of the Tenant use reasonable endeavours to obtain any such consents or approvals whenever they may be required
- 1.6 Where the expression "landlord covenants" or "tenant covenants" are used in this Lease they are to have the same meaning as is given by the 1995 Act Section 28(1)
- 1.7 The Particulars form part of and are incorporated into this Lease but the clause headings and the table of contents in this Lease are for ease of reference only and shall not be taken into account in the construction or interpretation of this Lease
- 1.8 Any sums payable by reference to a year or any other period shall be payable proportionately for any fraction of a year or other period (as appropriate)
- 1.9 Reference to a fair proportion of a sum is reference to such fair and proper proportion of that sum as determined by the Landlord's Surveyor acting reasonably (whose decision shall in the absence of manifest error be final and binding on the parties)

2. Demise and Rents

In consideration of the rents hereby reserved and the covenants on the part of the Tenant hereinafter contained the Landlord **HEREBY DEMISES** to the Tenant the Premises **TOGETHER WITH** in common with others the rights specified in Schedule 2 but **EXCEPT AND RESERVED** unto the Landlord and others the rights specified in Schedule 3 and **SUBJECT** to the matters (if any) specified in Schedule 4 **TO HOLD** the same for the Contractual Term **PAYING THEREFOR:**

- 2.1 **FIRST** the Rent payable by equal quarterly payments in advance on the usual quarter days in every year and proportionately for any period of less than a year the first such payment being a proportionate sum in respect of the period from and including the Rent Commencement Date to and including the day before the quarter day next after the Rent Commencement Date to be paid on the Rent Commencement Date

- 2.2 **SECONDLY** by way of additional rent the Insurance Rent in accordance with the provisions of clause 6
- 2.3 **THIRDLY** by way of additional rent the Service Charge in accordance with the provisions of Schedule 6
- 2.4 **FOURTHLY** by way of additional rent within 28 days of demand all interest and other amounts payable under these presents
- 2.5 **FIFTHLY** by way of additional rent any VAT chargeable in respect of the rents reserved by this clause 2 at the same time or times as those rents fall due for payment

3. **Tenant's Covenants**

The Tenant **HEREBY COVENANTS** with the Landlord throughout the Term or (if earlier) until released pursuant to the 1995 Act as follows:

- 3.1 To pay rents and service charge
- (a) To pay to the Landlord the rents hereby reserved at the times and in the manner aforesaid without any deduction or set off whatsoever save as permitted by law
 - (b) To pay the Rent by Standing Order or in such manner as the Landlord may from time to time determine so that the Landlord shall receive full value in cleared funds on the date when payment is due
 - (c) To pay the Service Charge in accordance with the provisions of Schedule 6
- 3.2 To pay interest on overdue monies
- (a) Without prejudice to any other right remedy or power herein contained or otherwise available to the Landlord if any sums payable by the Tenant to the Landlord under this Lease shall not be received within 21 days of the due date hereunder (whether in the case of the Rent legally demanded or not) to pay on demand to the Landlord interest thereon
 - (b) If collection of rent has been suspended by the Landlord for breach of covenant the Tenant shall when the breach has been made good to the satisfaction of the Landlord or when this Lease shall be forfeited (as the case may be) pay to the Landlord interest in addition to the arrears of rent
- 3.3 To pay outgoing
- To pay and discharge all existing and future rates taxes duties charges assessments impositions and outgoing of whatever nature payable in respect of the Premises or any part thereof whether by the landlord or tenant or owner

or occupier thereof (or if the same relate to the Premises and other premises to pay and discharge the fair proportion thereof attributable to the Premises as certified by the Landlord's Surveyor)

3.4 To repair

- (a) At all times during the Term to put and keep the Premises and all additions thereto in good and tenantable repair and condition (damage by any of the Insured Risks and the Excluded Risks excepted save in the case of damage by an Insured Risk to the extent that the insurance monies or any part thereof are wholly or partially irrecoverable by reason of any act or default of the Tenant any undertenant or occupier of any part of the Premises or any of their respective agents licensees concessionaires visitors or contractors or any person under the control of any of them)
- (b) To pay or in the absence of direct assessment on the Premises to repay to the Landlord the fair proportion attributable to the Premises as certified by the Landlord's Surveyor of the cost of making repairing cleansing and amending all roads pavements passages and Conduits fences walls party structures and other appurtenances services or conveniences (if any) which shall belong to or be used by the Premises in common with other premises and in default to be forthwith recoverable as a debt due from the Tenant together with interest thereon from the date of demand to the date of payment by the Tenant

3.5 To decorate

- (a) In the third year of the Term and also in the three months immediately before the Termination Date (but not more than once in any period of 12 months) in a good and workmanlike manner to decorate with good quality paint or otherwise treat as appropriate the exterior and interior of the Premises and to be executed in such colours and materials as the Landlord may reasonably require
- (b) As often as may be reasonably necessary to wash down all tiles glazed bricks and similar washable surfaces

3.6 To keep premises clean and tidy

- (a) To keep the Premises in a clean and tidy condition and clear of all rubbish and to clean as often as may be requisite the inside of all window panes and frames of the Premises and all the glass (if any) in the doors thereto
- (b) To keep all refuse waste and rubbish in a suitable container or containers on the Premises and to ensure that it is regularly and when requisite collected or removed from the Premises

3.7 To comply with statutory requirements

To do and execute all such works as may be directed or required to be executed under or in pursuance of any statute or by any national or local or public or other authority at any time during the Term upon or in respect of the Premises or any part thereof whether by the owner landlord tenant or occupier thereof and at all times to comply with all statutory provisions and the rules bye-laws or regulations of any local or other authority for the time being in force which are applicable to the Premises or any part thereof whether to be complied with by the owner landlord tenant or occupier

3.8 Energy Performance Certificates

- (a) Notwithstanding clause 3.14 not to carry out any alteration which may have an adverse effect on the rating of any EPC in respect of the Premises
- (b) To permit the Landlord and/or any person properly authorised by it to have access to all documentation data and information in the Tenant's possession or under its control as reasonably required in order to:
 - (i) Prepare an EPC for the Premises or the Building or
 - (ii) Prepare a DEC for the Premises or the Building or
 - (iii) Comply with any duty imposed upon the Landlord under the EPB Regulations

and the Tenant shall co-operate with the Landlord and any persons so authorised so far as is reasonably necessary to enable them to carry out such functions

3.9 Yielding up

At the Termination Date to deliver up to the Landlord with vacant possession the Premises (tenant's and trade fixtures excepted) so repaired maintained decorated and cleaned as required by this Lease having made good all damage occurring as a result of the removal by the Tenant of any tenant's or trade fixtures And if any tenant's or trade fixtures or any furniture or effects belonging to the Tenant shall be left in the Premises the Tenant shall be deemed to have abandoned the same and the Landlord shall be entitled to remove and dispose of the same at the cost of the Tenant and without prejudice to the right of the Landlord to recover any such cost the proceeds of any such sale shall belong to the Tenant

3.10 To permit entry

To permit the Landlord at all reasonable times during the Term upon giving reasonable notice (except in an emergency) to enter the Premises or any part thereof:

- (a) to examine the state and condition of the Premises or the Building or to take inventories of the fixtures and fittings therein
- (b) for executing repairs additions or alterations painting and redecoration to or upon other parts of the Building or any adjoining or neighbouring premises or for making repairing maintaining renewing connecting or cleansing any Conduits belonging to or leading to or from the same
- (c) for exercising the rights hereby reserved
- (d) for inspecting or surveying the Premises for valuation purposes
- (e) for doing anything reasonably incidental to the repair maintenance management or security of the Premises or the Building or the performance of the Landlord's legal duties and compliance with proper practice in relation to health and safety or otherwise

the person entering making good to the reasonable satisfaction of the Tenant all damage to the Premises thereby occasioned

3.11 To comply with notices to repair

To carry out all works for which the Tenant may be liable in accordance with the covenants herein contained relating to repair condition or decoration of which notice shall have been given by the Landlord to the Tenant within two months after the giving of such notice or sooner if requisite and in default thereof to permit the Landlord to enter upon the Premises (but without prejudice to the power of re-entry or any other right or remedy herein contained) and at the reasonable and proper expense of the Tenant to carry out such repairs cleaning or decoration as may be necessary in accordance with the covenants and provisions herein contained and all reasonable and proper costs and expenses thereof with interest shall be repaid by the Tenant to the Landlord on demand as a debt and shall be recoverable as if the same were rent in arrear

3.12 To pay Landlord's costs

To pay to the Landlord within 14 days of demand all proper costs charges and expenses (including but without prejudice to the generality of the foregoing legal costs surveyors' fees fees of other professionals and bailiff's or sheriff's fees and in the circumstances specified in clause 3.12(e) such costs charges and expenses must also be reasonable) which may be incurred by the Landlord in relation to:

- (a) any breach of covenant by the Tenant
- (b) any proceedings or contemplated proceedings under Sections 146 or 147 of the Law of Property Act 1925 notwithstanding that forfeiture is avoided otherwise than by relief granted by the court
- (c) of or incidental to the preparation and service of all notices and schedules relating to wants of repair or requiring the Tenant to remedy

any breach of any of the covenants herein contained whether the same be served before or within 3 months after the Termination Date

- (d) for or in connection with the levy of a distress for the rents or other sums payable by the Tenant hereunder or any part thereof whether or not any distress in the event be levied or otherwise for or in connection with the recovery of arrears of the rents or other monies payable by the Tenant hereunder
- (e) any consent applied for or any request made by the Tenant relating to the Premises

3.13 Not to introduce dangerous things

- (a) Not to bring keep or use or permit or suffer to be brought kept or used on the Premises any materials which are dangerous offensive combustible inflammable radioactive or explosive harmful polluting or contaminating or any machinery engine safe or other thing which may attack or in any way injure the structure of the Premises or the keeping or using whereof may contravene any statute or any local regulation or bye-law for the time being affecting the Premises and to keep inflammable substances only in such reasonable quantities as may be necessary for the Tenant's permitted business and subject to obtaining the Landlord's previous consent in writing and observing all statutes regulations and bye-laws for the keeping and using of such substances and
- (b) Not to carry on or do thereon any hazardous trade or act in consequence of which the Landlord would or might be prevented from insuring the Premises at the ordinary rate of premium or whereby any insurance effected in respect of the Premises would or might be vitiated or prejudiced and not without the Landlord's previous consent in writing to do anything whereby an additional premium may become payable for the insurance of the Premises

3.14 Alterations

- (a) Not to make any structural or external alteration or any alteration affecting the external appearance of the Premises nor any addition thereto
- (b) Not to divide the Premises nor to merge the Premises with any adjoining premises
- (c) Not to make any internal non-structural alteration to the Premises without the consent of the Landlord which will not unreasonably be withheld subject to the Tenant at its sole cost obtaining and complying with all necessary consents of any competent authority
- (d) To carry out the fit out works detailed on drawing no. 17~6022~02 annexed hereto and signage detailed on photograph marked No. 2

shopfront **SAVE THAT** the carrying out of these works shall not require the Landlord's further consent and shall not be in breach of this clause

PROVIDED THAT the Tenant may subject to it and at its sole cost obtaining and complying with all necessary consents of any competent authority erect or remove internal non-structural partitions provided that drawings (and such other details as the Landlord reasonably requires) showing such works are delivered to the Landlord and that the same are if so required by the Landlord removed at the Termination Date and all damage thereby occasioned is made good

- (e) At the Termination Date (unless and to the extent otherwise required by the Landlord in writing prior to the commencement of the relevant reinstatement works) to reinstate the Premises by removing all the Tenant fixtures and fitting and make good all damage caused
- (f) In relation to any works to the Premises to which The Construction (Design and Management) Regulations 2015 ("the Regulations") apply:
 - (i) to procure that the Regulations are complied with, including (without limitation) all requirements in relation to the provision and maintenance of a health and safety file and
 - (ii) promptly to provide to the Landlord a full and complete copy of the health and safety file for the works prepared in accordance with the Regulations and any Code of Practice or other guidance issued by any competent authority and (no later than the date of expiration or sooner determination of the Term) the original health and safety file itself

3.15 Not to overload

- (a) Not to overload the existing electric wires and cables and in the event of any additional or new wiring or cable becoming necessary or of the Landlord being required by the electricity authority or by the insurers to provide the same the Tenant shall pay the cost of all such additional or new wiring or cable
- (b) Not to place or suspend any excessive or undue weight on or from the floors ceilings or walls of the Premises

3.16 Planning

- (a) At all times during the Term to comply in all respects with the provisions and requirements of the Planning Acts and all consents permissions and conditions (if any) granted or imposed thereunder so far as the same respectively relate to or affect the Premises or any part thereof
- (b) Not without the Landlord's consent (which shall not unreasonably be withheld in the case of an application for the carrying out of works or a change of use which has where required been approved by the Landlord hereunder or for which Landlord's consent is not required) to

apply for any planning permission relating to the Premises or any part thereof or to the use thereof or any part thereof and to give to the Landlord notice of the granting or refusal (as the case may be) of all such consents and permissions and to supply copies thereof to it forthwith on the receipt of the same **AND** in the event of the planning authority agreeing to grant any planning permission only with modifications or subject to conditions to give the Landlord forthwith full particulars of such modifications or conditions **AND** if such modifications or such conditions shall in the reasonable opinion of the Landlord be undesirable or damaging to the value of its reversion in the Premises whether during or after the Term then the Tenant shall not proceed with the works or change of user to which the application related

- (c) To pay and satisfy any charge that may hereafter be imposed under the Planning Acts in respect of the carrying out or maintenance by the Tenant of any operations or the institution or continuance by the Tenant of any user thereof
- (d) Unless the Landlord shall otherwise direct to carry out and complete before the Termination Date any works stipulated to be carried out to the Premises (whether before or after the Termination Date) as a condition of any planning permission implemented or commenced to be implemented before the Termination Date by the Tenant any underlessee or any other occupier of the Premises or any part or parts thereof

3.17 To inform Landlord of statutory notices etc

- (a) To give full particulars to the Landlord of any notice direction order or proposal therefor made given or issued to the Tenant by any local or public authority within seven days of the receipt thereof and to produce the same to the Landlord forthwith And without delay to take all necessary steps to comply with any such notice direction or order in so far as it relates to or affects the Premises and if so required by the Landlord at the Landlord's cost to make or join with the Landlord in making such objections or representations against or in respect of any proposal for any such notice direction or order as the Landlord shall deem reasonably expedient
- (b) To provide the Landlord within 28 days of written request full details of any occupiers of the Premises and of the terms of such occupation including any rents or payments in the nature of rent currently payable

3.18 To inform Landlord of contaminants or defects etc

Upon becoming aware of the same to inform the Landlord as soon as possible in writing of the existence of any contaminant or pollutant on or any defect in the Premises which might give rise to a duty imposed by common law or statute on the owner or occupier of the Premises

3.19 To indemnify the Landlord

To indemnify the Landlord in respect of all actions proceedings costs claims and demands which might be made by any tenant occupier adjoining owner or any person whatsoever or any competent authority relating to the death or personal injury to any person and/or damage to property which are incurred by reason of:

- (a) any contaminant pollutant or harmful substance being present on the Premises and/or escaping onto other property or controlled waters.
- (b) any use or occupation of the Premises or the execution of any alterations additions or repairs to the Premises
- (c) any breach or non-observance by the Tenant or the covenants conditions or other provisions of this Lease

Not to do or omit to do or permit or suffer to be done or omitted to be done anything in or about the Premises or any premises used for the purposes of but not comprised in the Premises whereby the Landlord may become exposed to the liability to pay any penalty damages compensation costs charges or expenses and to keep the Landlord indemnified against all such liabilities

3.20 Defective Premises

In connection with Section 4 of the Defective Premises Act 1972 to notify the Landlord immediately the Tenant becomes aware of any defect in the Premises which may cause personal injury or damage to property

3.21 User

- (a) Subject to the prohibitions and restrictions hereinafter contained not to use or permit or suffer to be used the Premises or any part thereof other than for the Permitted Use or for such other use appropriate to the Premises as may from time to time have been previously approved in writing by the Landlord (such approval not to be unreasonably withheld)
- (b) Not to use or permit or suffer the Premises or any part thereof or the Common Parts to be used for any public or political meeting or public exhibition or public entertainment show or spectacle or any dangerous noisy noxious or offensive business occupation or trade or for any illegal or immoral purpose or for residential or sleeping purposes or for betting gambling gaming or wagering or as a betting office or as a club or for the sale of any beer wines or spirits or for any auction or to deposit exhibit or expose for sale any goods or articles on any roadway pavement forecourt yard or open area adjoining or forming part of the Premises
- (c) Not to do or permit or suffer to be done on the Premises or any part thereof anything which may be or become or cause a nuisance damage disturbance injury or danger to the Landlord or other

occupiers of the Building or the owners lessees or occupiers of any premises in the neighbourhood

- (d) Not to install or use on the Premises any instrument apparatus machinery or equipment which causes noise or vibration externally or which causes damage to the Premises
- (e) Not to leave the Premises continuously unoccupied for more than one month (save in the case of damage by an Insured Risk or an Excluded Risk or by some other cause wholly outside the control of the Tenant) without notifying the Landlord if the insurance premiums payable in respect of the Building are increased by reason of the Premises being unoccupied to pay to the Landlord on demand all such increased premiums

3.22 Use of the Building

- (a) Not to obstruct deposit goods or rubbish upon make untidy cause any nuisance or disturbance on or endanger any person using any of the Common Parts
- (b) To comply with regulations made by the Landlord from time to time for the management of the Building and notified by the Landlord to the Tenant
- (c) Not to interfere with the heating cooling or ventilation of the Building or to impose an excessive load on any heating cooling or ventilation plant serving the Building
- (d) Not to allow employees and agents of the Tenant and visitors to the Premises to smoke in the Common Parts

3.23 To obtain permission for signs

Not at any time to affix or exhibit or permit or suffer to be affixed or exhibited to or upon any part of the exterior of the Premises or on the inside surface of any windows of the Premises any placard poster sign signboard notice or advertisement except such sign showing the trading name of the lawful occupier of the Premises as shall have been previously approved in writing by the Landlord as to size style subject – matter position and method of affixing and not to install any flag pole or outside aerial on the Premises

3.24 Not to prejudice easements

- (a) Not to stop up darken or obstruct or permit or suffer to be stopped up darkened or obstructed any exterior windows or light of the Premises
- (b) To use the Tenant's best endeavours to prevent the benefit of any easement or right belonging to or used with the Premises or any part thereof from being obstructed or lost and not to surrender or discontinue any wayleave agreement belonging to the Premises without the prior consent in writing of the Landlord

- (c) Not to permit the acquisition of any easement or right against over upon or under the Premises or any part thereof or any encroachment thereon and to give to the Landlord immediate notice of any encroachment or threatened encroachment upon the Premises or any attempt to acquire any easement or right against over upon or under the Premises which shall be within the Tenant's knowledge and will at the request of the Landlord adopt such measures as may be reasonably required or deemed proper for preventing any such encroachment or the acquisition of any such easement

3.25 To permit reletting notices

Upon previous reasonable notice being given to permit all prospective tenants or prospective purchasers of or dealers in the Landlord's reversionary interest and their surveyors by order in writing of the Landlord or the agents of the Landlord to enter and inspect the Premises at all reasonable hours in the daytime and to affix upon any suitable part or parts thereof a noticeboard or boards for reletting or selling the Premises and not to remove or obscure the same

3.26 To observe covenants

- (a) To observe and perform the agreements covenants and stipulations referred to in Schedule 4 so far as any of the same are still subsisting and capable of taking effect and relate to the Premises and to keep the Landlord indemnified against all actions proceedings costs claims or demands in any way relating thereto
- (b) In the event of a breach non-performance or non-observance of any of the covenants conditions agreements and provisions contained or referred to in this Lease by any underleasee or any other occupier of the Premises forthwith upon discovering the same to take and institute at its own expense all necessary steps and proceedings to remedy such breach non-performance or non-observance

3.27 Alienation

- 3.27.1 Not to assign underlet share or otherwise part with possession of any part of the Demised Premises (here meaning a portion only and not the whole thereof)
- 3.27.2 Not without the prior written consent of the Landlord (such consent not to be unreasonably withheld) to assign underlet charge or otherwise part with possession of the whole of the Demised Premises or to share occupation of the whole thereof for all or any part of the Term PROVIDED that the Landlord shall be entitled (for the purposes of Section 19(1A) of the Landlord & Tenant Act 1927):

- (a) to withhold its consent in any of the circumstances set out below:

- (i) where in the reasonable opinion of the Landlord the proposed Assignee is not of sufficient financial standing to enable it to comply with the Tenant's covenants in the Lease or
 - (ii) where the proposed Assignee enjoys diplomatic or state immunity (but this circumstance shall not apply where the proposed Assignee is the Government of the United Kingdom of Great Britain and Northern Ireland or any department thereof) or
 - (iii) where the proposed Assignee is not resident in the United Kingdom of Great Britain and Northern Ireland or in a jurisdiction where reciprocal enforcement of judgments exists
- (b) to impose all or any of the matters set out below as a condition of its consent:
- (i) all sums due from the Tenant under this Lease have been paid at the date of the application for the Licence to Assign
 - (ii) in the Landlord's reasonable opinion there are at the date of the application for the licence to assign no material outstanding breaches of any lessee covenant under this Lease or any personal covenants undertaken by the Tenant
 - (iii) in the case of an underletting the proposed underlease is excluded from the security of tenure provisions contained in the Landlord and Tenant Act 1954 Part II (or other substituted procedure required to render the exclusion effective) and in a form previously duly agreed by the Landlord

3.27.3 Clause 3.27 shall operate without prejudice to the right of the Landlord to withhold such consent on any other ground or grounds where such withholding of consent would be reasonable or to impose any further condition or conditions upon the grant of consent where the imposition of such condition or conditions would be reasonable

3.28 Registration

- (a) To give notice in writing of every assignment transfer or underlease of the Premises or any devolution of the Tenant's interest in this Lease and to produce for inspection a certified copy for retention by the Landlord of the instrument of such assignment transfer or underlease or any Probate or Letters of Administration in any way relating to the Premises whether in respect of this Lease or any derivative underlease within one month after the execution or grant thereof to the Landlord and to pay a fee of Forty Pounds (£40) and VAT for the registration thereof
- (b) If this Lease is or should (including following any assignment or transfer) be registered at the Land Registry the Tenant will following any assignment or transfer apply to the Land Registry and do all acts

and things properly required to register such assignment or transfer as soon as reasonably practicable and immediately after registration thereof will provide the Landlord with official copies of the register evidencing such registration

3.29 Keyholder

To ensure that the Landlord always has written notice of the name address and telephone number of at least one keyholder of the Premises

4. Landlord's Covenants

The Landlord **HEREBY COVENANTS** with the Tenant throughout the Term or (if earlier) until released pursuant to the 1995 Act as follows:

4.1 Quiet enjoyment

That the Tenant paying the rent hereby reserved and observing and performing the covenants on the part of the Tenant and the conditions herein contained may peaceably hold and enjoy the Premises for the Term without any interruption or disturbance by the Landlord or by any person lawfully claiming through under or in trust for the Landlord

4.2 To provide services

To use all reasonable endeavours to provide the Services in accordance with and subject to paragraph 2 of Schedule 6

5. Provisos and Agreements

PROVIDED ALWAYS AND IT IS HEREBY AGREED as follows:

5.1 Re-entry

That if:

- (a) the rents hereby reserved or any part thereof shall be in arrear and unpaid for 21 days next after any of the days on which the same shall have become due (whether in the case of Rent formally demanded or not) or
- (b) there is any breach or non-performance of any of the covenants conditions and agreements herein contained on the part of the Tenant to be observed and performed or
- (c) the Tenant:

- (i) (being a company) enters into voluntary or compulsory liquidation (other than for the purpose of reconstruction or amalgamation not involving a realisation of assets) or has a winding up order made against it by the court or has a receiver or administrator appointed over all or any part of its assets or an administration order is made pursuant to the Insolvency Act 1986 or
- (ii) (being one or more individuals) any one of them petitions the court for his own bankruptcy or has a bankruptcy order made against him or has a petition presented for a bankruptcy order against him or
- (iii) becomes insolvent or enters into any composition scheme or arrangement with its or his creditors or enters into a voluntary arrangement (within the meaning of Sections 1 or 253 of the Insolvency Act 1986) or distress sequestration or execution is levied on its or his goods

then and in any such case the Landlord may at any time thereafter re-enter all or part of the Premises whereupon this Lease shall terminate without prejudice to any right of action or remedy of either party against the other in respect of any antecedent breach of any of the covenants herein contained

5.2 No Warranty

Nothing contained in this Lease or in any licence consent or approval granted by the Landlord under this Lease shall imply or warrant that the Premises or any part thereof may be used or are fit or useable for any specific purpose in conformity with the Planning Acts and if any use of the Premises is not permitted or authorised under the Planning Acts the Tenant shall remain fully liable to the Landlord in respect of this Lease without being entitled to any relief for that reason

5.3 No implied rights

The operation of Section 62 of the Law of Property Act 1925 shall be excluded from this Lease which shall not operate to confer upon or grant to the Tenant any easement right or privilege other than expressly hereby granted

5.4 Notices

5.4.1 Except where this lease specifically states that a notice need not be in writing, any notice given under or in connection with this lease shall be:

- (a) in writing and for the purposes of this clause an email is not in writing; and
- (b) given by hand or by pre-paid first-class post or other next working day delivery service at the party's registered office address (if the

party is a company) or (in any other case) at the party's principal place of business

5.4.2 If a notice complies with the criteria in clause 5.4.1, whether or not this lease requires that notice to be in writing, it shall be deemed to have been received:

- (a) if delivered by hand, at the time the notice is left at the proper address;
- (b) if sent by pre-paid first-class post or other next working day delivery service, on the second working day after posting

5.5 Landlord's Rights as a Local Authority

For the avoidance of doubt it is hereby declared that nothing herein contained or implied shall prejudice or affect Hastings Borough Council's rights powers duties and obligations in the exercise of their functions as a Local Authority and that the rights powers duties and obligations of Hastings Borough Council under all public and private statutes byelaws orders and regulations may be as fully and effectually exercised in relation to the Demised Premises as if they were not the owners thereof and as if this Lease has not been executed

5.6 Governing law

This lease 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) shall be governed by and construed in accordance with the law of England and Wales.

5.7 Disputes

Any disputes or differences arising as between the Landlord and the Tenant as to their respective rights duties or obligations or as to any other matter or thing in anyway arising out of or in connection with the subject matter of this Lease (including in particular the ratio of their respective interests throughout the demised term) shall be referred to the arbitration or decision of a single arbitrator to be agreed on by the parties or failing agreement to be named by the President of the Royal Institution of Chartered Surveyors and such reference shall be deemed to be a submission to arbitration within the Arbitration Act 1996 and any statutory modification or re-enactment thereof for the time being in force

5.8 Waiver or Release

Each of the Tenant's covenants shall remain in full force both in law and in equity notwithstanding that the Landlord shall have waived or released temporarily or be deemed to have done so any covenant contained therein

6. Insurance

6.1 Landlord to insure

The Landlord covenants with the Tenant:

- (a) to keep the Building (other than tenant's and trade fixtures) insured (unless such insurance shall be vitiated in whole or in part by any act neglect or default of the Tenant or any other tenant undertenant or occupier of any part of the Building or any of their respective agents licensees concessionaires visitors or contractors or any person under the control of any of them) against damage or destruction by the Insured Risks to the extent that such insurance may ordinarily be arranged for properties such as the Building with an insurer of repute and subject to such excesses exclusions or limitations as the insurer may require for such sum as the Landlord shall from time to time acting reasonably consider as being the full cost of rebuilding and reinstatement including architects' surveyors' and other professional fees payable upon any applications for planning permission or other permits or consents that may be required in relation to the rebuilding or reinstatement of the Building the cost of debris removal demolition site clearance and any works that may be required by statute and incidental expenses and VAT thereon
- (b) to insure the loss of Rent payable under this Lease from time to time (having regard to any review of rent which may become due under this Lease) for three years or such longer period as the Landlord may from time to time reasonably deem to be necessary for the purposes of the planning and carrying out of the rebuilding or reinstatement

6.2 Tenant to Pay

The Tenant covenants with the Landlord to pay to the Landlord on demand:

- (a) the Tenant's Share of all amounts from time to time payable by the Landlord by way of premiums:
 - (i) for insuring the Building in accordance with the Landlord's covenant
 - (ii) for effecting engineering insurances in respect of any plant and machinery in the Building
 - (iii) for insuring in such amount and on such terms as the Landlord shall consider appropriate against all liability of the Landlord to third parties including employer's liability and public liability arising out of or in connection with any matter involving or relating to the Building and
 - (iv) all amounts from time to time payable by the Landlord by way of premiums for insuring the loss of Rent in accordance with the Landlord's covenant

in every case together with all of any increased premium payable by reason of any act or omission of the Tenant or any undertenant or occupier of any part of the Premises or any of their respective agents licensees concessionaires visitors or contractors or any person under the control of any of them and together with any Insurance Premium Tax payable thereon (and so that the Landlord shall be entitled to retain for its own benefit any agency discount or other commission paid or allowed by the insurers) the first payments to be made within 14 days of demand

- (b) not more than once in any period of 24 months the Tenant's Share of the reasonable and proper costs of any professional valuation (or revision thereof) of the Building which may be required by the Landlord for the purpose of determining for what amount the Building should be insured
- (c) the Tenant's Share of the amount of any proper excesses on any claim

6.3 Policy

The Landlord covenants with the Tenant to provide to the Tenant upon request reasonable evidence of the terms of the policy or policies of insurance effected by the Landlord pursuant to its obligations in this Lease and the fact that the last premium has been paid and to notify the Tenant of any material change in the risks covered by the policy from time to time

6.4 Tenant's Covenants

The Tenant covenants with the Landlord:

- (a) to comply with all requirements and recommendations made and notified to the Tenant from time to time by the fire authority the insurers of the Building or the Landlord
- (b) not to do or omit anything that could cause any policy of insurance on or in relation to the Building or the Landlord's adjoining property to become void or voidable wholly or in part nor (unless the Tenant shall have obtained the prior written consent of the Landlord and have agreed to pay the increased premium) anything by which additional insurance premiums may become payable
- (c) to keep the Premises supplied with such fire-fighting equipment as the insurers and the fire authority may require and as the Landlord may reasonably require or in default hereof to pay to the Landlord on demand the proper cost of providing and installing any of the same and to maintain such equipment to their satisfaction and in efficient working order
- (d) not to store or bring into the Building any article substance or liquid of a specially combustible inflammable or explosive nature and to comply with the requirements and recommendations of the fire authority and

the reasonable requirements of the Landlord as to fire precautions relating to the Premises

- (e) not to obstruct the access to any fire-fighting equipment or the means of escape from or through the Premises or the Building nor to lock any fire door while the Premises are occupied
- (f) to give notice to the Landlord immediately upon the happening of any event which might affect any insurance policy on or relating to the Premises the Building or upon the happening of any event against which the Landlord may have insured under this Lease
- (g) throughout the Term to maintain a policy or policies of insurance in respect of public liability of the Tenant in such amount or amounts as the Landlord may reasonably require (which is currently 10 million pounds) and to provide details of such policy or policies to the Landlord when reasonably required
- (h) if at any time the Tenant shall be entitled to the benefit of any insurance on the Premises (whether or not effected or maintained in pursuance of any obligation contained in this Lease) to forthwith apply all money received by virtue of such insurance in making good the loss or damage in respect of which such money shall have been received as soon as is reasonably practicable

6.5 Suspension of rent

If and whenever during the Term the Building is damaged or destroyed by any of the Insured Risks or an Excluded Risk so that the Premises the means of access to it or any part of them are unfit for occupation or use and payment of the insurance money is not refused in whole or in part by reason of any act neglect or default of the Tenant any undertenant or licensee or their respective servants or agents then the rents or a fair proportion of the rents according to the nature and extent of the damage sustained shall cease to be payable until the Building or the damaged parts thereof shall have been rebuilt or reinstated so that the Premises or the affected part are made fit for occupation or use or until the expiration of three years from the destruction or damage whichever period is the shorter (any dispute concerning this clause 6.5 to be determined in accordance with the Arbitration Act 1996 by an arbitrator to be appointed by agreement between the parties or in default by the President or a Vice President for the time being of the Royal Institution of Chartered Surveyors upon the application of either party)

6.6 Reinstatement

- (a) If and whenever during the Term the Building is damaged or destroyed by any of the Insured Risks (except one against which insurance may not ordinarily be arranged with an insurer of repute for properties such as the Building unless the Landlord has in fact insured against that risk) then subject to the provisions of sub-clause (b) the Landlord shall use its reasonable endeavours to obtain all planning permissions building

regulation approvals and other permits and consents that may be required under any statute ("Permissions") to enable the Landlord to rebuild and reinstate and as soon as the Permissions have been obtained or immediately where no Permissions are required shall apply all money received in respect of the insurance of the Building (except sums in respect of loss of rent) in rebuilding or reinstating the Building so destroyed or damaged substantially as it was prior to any such damage or destruction (but not so as to provide accommodation identical in layout if it would not be reasonably practicable to do so) and (unless clause 6.7 applies) the Landlord will make up any shortfall out of its own money

(b) The Landlord shall not be obliged to rebuild or reinstate the Building:

- (i) if the payment of the insurance money is refused in whole or in part by reason of any act or default of the Tenant or any other tenant undertenant or occupier of any part of the Building or any of their respective agents licensees concessionaires visitors or contractors or any person under the control of any of them
- (ii) if any of the Permissions is subject to a condition which is so unreasonable that it would not be reasonable to require the Landlord to rebuild or reinstate
- (iii) if a defect in the site prevents such rebuilding or reinstating or would mean that it could be undertaken only at excessive cost
- (iv) if and for so long as such rebuilding or reinstating is rendered impossible or impracticable by external causes beyond the control of the Landlord

(c) If the Landlord is prevented and continues to be prevented three years after the date of the damage or destruction of the Building or the relevant part thereof so to rebuild or reinstate then either party shall at any time thereafter (but prior to such rebuilding or reinstating being completed) be entitled by notice in writing to the other to terminate this Lease and upon service of such notice this Lease shall determine without prejudice to any rights or remedies which may then have accrued to either party against the other in respect of any breach of any of the covenants and conditions contained in this Lease and in which event all monies received in respect of the insurance effected by the Landlord pursuant to this Lease shall belong to the Landlord absolutely

(d) Excluded Risk

If and whenever during the Term the Building is damaged or destroyed by an Excluded Risk so that the Premises or any part of them are thereby unfit for occupation or use in accordance with this Lease or inaccessible then:

- (i) The Landlord shall as soon as reasonably practicable after such damage or destruction notify the Tenant that it arises from an Excluded Risk
- (ii) No later than six months after the damage or destruction in question the Landlord shall give written notice to the Tenant (the "Election Notice") stating whether or not the Landlord proposes to rebuild or reinstate the Building
- (iii) If the Election Notice states that the Landlord does propose to rebuild or reinstate the Building then for all the purposes of this Lease the Building shall be deemed to have been damaged by one of the Insured Risks in respect of which the full insurance monies are recoverable by the Landlord under the policy or policies of insurance for the Building
- (iv) If the Election Notice states that the Landlord does not propose to rebuild or reinstate the Building or if no Election Notice is served within the period referred to in sub-clause (ii) above then either the Landlord or the Tenant may at any time thereafter (but not if in the meantime the Landlord shall have given an Election Notice stating that the Landlord does propose to rebuild or reinstate the Building) give written notice to the other to determine this Lease whereupon this Lease shall forthwith determine with immediate effect but without prejudice to any rights or liabilities in respect of any antecedent breaches
- (v) If this Lease is determined under sub-clause (iv) above the Tenant shall be permitted a reasonable time not exceeding one month to remove from the Premises any fixtures fittings or equipment belonging to the Tenant
- (vi) For the avoidance of doubt the provisions of this clause do not apply where insurance money is not recoverable as a consequence of any act or default of the Tenant any undertenant or occupier of any part of the Premises or any of their respective agents licensees concessionaires visitors or contractors or any person under the control of any of them

6.7 Payment of insurance money refused

If payment of any of the insurance money is refused as a result of any act neglect or default of the Tenant any undertenant or licensee or their respective servants or agents the Tenant shall pay to the Landlord on written demand the amount so refused with interest on that amount at the Interest Rate from and including the date of such refusal to the date of payment by the Tenant

7. Tenant's Option to Determine

- 7.1 If the Tenant shall desire to determine the Term on the Break Date (time being of the essence for the Break Date) and shall give to the Landlord written notice to that effect not later than 12 months before the Break Date (time being of the essence for such notice) then subject to the Pre-Conditions referred to in the following sub-clause being satisfied on the Break Date the Term shall thereupon cease and determine but without prejudice to any rights or liabilities in respect of any antecedent breaches
- 7.2 For the purpose of the preceding sub-clause the Pre-Conditions are that on the Break Date:
- (a) The Tenant shall ensure that its employees independent contractors business partners and associates leave the Premises and that the Premises are available free of occupation by and of any estate or interest vested in the Tenant or any third party and
 - (b) There are no arrears of the Rent
- 7.3 The Landlord may in its absolute discretion waive all or any of the Pre-Conditions referred to above on written notice to that effect to the Tenant

8. Rights of Third Parties

A person who is not a party to this Lease has no rights under the Contracts (Rights of Third Parties) Act 1999 in relation to it

SCHEDULE 1

Description of the Property

1. Unit 2 of the Building shown edged red on the Plan
2. There is included in the demise:
 - 2.1 the plaster and all other surfacing materials and all decorative finishes on the walls dividing such premises from other parts of the Building and
 - 2.2 the floor screeds raised floors (including floor boxes and supports) and other floor finishes and the airspace between the raised floors and the slab or other structural element below and
 - 2.3 the plaster and all other surfacing materials and all decorative finishes on the ceilings and any suspended ceilings (including supports) and the airspace between the suspended ceilings and the slab or other structural element above and
 - 2.4 the inner half severed vertically of any non-load bearing walls dividing such premises from other parts of the Building and
 - 2.5 the entirety of any non-load bearing walls wholly within such premises and
 - 2.6 all doors door frames and door furniture and all windows window frames shop facia and window furniture and all glazing in such premises and
 - 2.7 all Conduits within and exclusively serving such premises
3. There is excluded from the demise:
 - 3.1 the whole of the airspace above such premises and
 - 3.2 all load bearing and exterior walls and columns of the Building and
 - 3.3 all floor slabs foundations roofs and other structural elements of the Building and
 - 3.4 all Conduits within but not exclusively serving such premises

SCHEDULE 2

Rights Included in the Demise

1. The right of free passage and running of water soil telecommunications gas electricity and other services from and to the Premises by and through any Conduits which are now within the Building (or any diverted or alternative Conduits that are provided from time to time by the Landlord) and the right after giving reasonable prior notice in writing (except in emergency) to enter into and upon any other parts of the Building excluding the Lettable Areas so far as may be necessary for the purpose of cleansing repairing or renewing the same causing as little damage or disturbance as is reasonably practicable and making good any damage caused thereby
2. The right of support shelter and protection for the Premises as is now enjoyed from other parts of the Building
3. The right to use the Common Parts directly serving the Premises for all proper purposes in connection with the use and enjoyment of the Premises including the right to pass to and from the Premises save that the Landlord may in emergency or when works are being carried out temporarily obstruct or close off parts of the Common Parts provided that a means of access to and from the Premises shall always be maintained
4. The right to use those toilets in the Building that are designated from time to time in writing by the Landlord
5. The right of emergency escape over those parts of the Building as are designated from time to time in writing by the Landlord in accordance with any fire certificate or other statutory regulation or requirement affecting the Building

SCHEDULE 3

Exceptions and Reservations out of the Demise

1. The right for the Landlord to erect or to consent to any person erecting any new building or altering any building for the time being on any of the Landlord's adjoining or neighbouring land provided that the Tenant's beneficial use and enjoyment of the Premises is not materially adversely affected and the right to alter (including raising the height) refurbish or refit the Building notwithstanding that such alteration erection or other works may diminish the access of light and air enjoyed by the Premises or temporarily cause nuisance damage annoyance or inconvenience by virtue of noise dust vibration or otherwise and the right to deal with any of the Landlord's adjoining or neighbouring land or other parts of the Building as the Landlord may think fit provided that the Tenant's beneficial use and enjoyment of the Premises is not materially adversely affected
2. The right of free passage and running of water soil telecommunications gas electricity and other services from and to other parts of the Building or any of the Landlord's adjoining or neighbouring land by and through any Conduits which are now or may hereafter be installed upon through under on or over the Premises and the right after giving reasonable prior notice in writing (except in an emergency) to enter upon the Premises for the purpose of inspecting and repairing the same causing as little damage or disturbance as is reasonably practicable and making good any damage caused thereby
3. The right to erect scaffolding for the purpose of altering refurbishing refitting repairing or cleaning the Building or any of the Landlord's adjoining or neighbouring land and buildings notwithstanding that such scaffolding may temporarily interfere with the access to or enjoyment and use of the Premises provided that:
 - (a) the scaffolding shall only be erected outside the Premises if there is no other reasonable commercially practicable way to exercise the rights or comply with the obligations referred to
 - (b) the scaffolding is erected and any works completed so as to cause minimal practicable disruption and inconvenience to the Tenant and a reasonable access to the Premises and as far as is practicable in the circumstances to use reasonable endeavours to ensure the visibility of the shopfront and signage is always maintained
 - (c) throughout any period when scaffolding is erected the Tenant has the right to erect such trade signage showing the Tenant's trading logo on the scaffolding as is reasonably required by the Tenant to confirm the Tenant is still in occupation and open for trade and approved by the Landlord (such approval not to be unreasonably withheld or delayed)
 - (d) any scaffolding is removed as soon as reasonably possible and all damage to the Premises is made good to the reasonable satisfaction of the Tenant

- (e) prior reasonable notice has been given by the Landlord of its intention to erect scaffolding (save in cases of emergency when no notice has to be given)
 - (f) the Landlord shall use reasonable endeavours to ensure any scaffolding is fitted with security alarms
4. The right of support shelter and protection for other parts of the Building from the Premises
 5. The right after giving reasonable prior notice (except in emergency) to enter on the Premises so far as may be necessary or desirable in connection with the provision of any of the Services or for any other reasonable purpose in connection with the management of the Building
 6. The right to enter upon the Premises to exercise any right of entry referred to elsewhere in this Lease or for any reasonable purpose

SCHEDULE 4

Matters subject to which the Lease is Granted

The covenants agreements restrictions exceptions reservations and other matters set out or referred to in the entries on the registers of Title Number HT11533

SCHEDULE 5

The Rent Review

1. In this Schedule the following expressions shall have the following meanings:
 - 1.1 "Review Date" means the dates: 26th April 2020 and any other date that becomes a Review Date pursuant to paragraph 7 hereof
 - 1.2 "the Market Rent" means the yearly rent (exclusive of any VAT) payable after the expiry of any rent free period for the incoming tenant to carry out fitting out works of such length as would be negotiated in the open market upon a letting of premises comparable with the Premises at which the Premises might reasonably be expected then to be let without fine or premium with vacant possession in the open market by a willing landlord to a willing tenant by a lease which is on the same terms in all respects as this Lease (save as to the amount of the yearly rent payable hereunder and excluding the provisions for rent review) for a term commencing on the relevant Review Date equal to the unexpired residue of the Contractual Term at the relevant Review Date but including the provisions for the tenant to break the lease on the Break Date and on the following assumptions (whether or not such shall in fact be the case):
 - (a) that no work has been carried out at the Premises by the Tenant its sub-tenants or any permitted occupier or their respective predecessors in title during or prior to the Term which has diminished the rental value of the Premises and that in case the Premises or the Building have been destroyed or damaged they have been fully restored
 - (b) that all the covenants and conditions in this Lease have been duly performed and observed
 - (c) that the Premises may be lawfully used by any person for the purposes permitted under this Lease (or for the purposes for which they are actually used if producing a higher rental value) and that the Premises and if applicable the willing tenant at all times have the benefit of all licences consents permissions and certificates necessary for any such use
 - (d) that the Premises are fit for immediate occupation and use
 - (e) that the willing tenant would commence paying rent immediately upon the relevant Review Date and that such rent would not be discounted to reflect the absence of any rent concession rent free period or other inducement in respect of the incoming tenant's fitting out works then being offered by lessors to lessees upon the grant of leases in the open market of premises comparable with the Premises it being assumed that the willing tenant has received and has already enjoyed the full benefit of such rent concession rent free period or other inducement before the relevant Review Date

But disregarding:

- (i) any effect on rent of the fact that the Tenant its sub-tenants or any permitted occupier or their respective predecessors in title have been in occupation of the Premises or any part thereof
- (ii) any goodwill attached to the Premises or any part thereof by reason of the carrying on thereof of the business of the Tenant its sub-tenants or any permitted occupier or their respective predecessors in title in their respective business and
- (iii) any effect on rent of any improvements to the Premises or any part thereof to the extent that the improvement is carried out by and at the cost of the Tenant either during the Term with the Landlord's written consent as herein required or under any agreement for the grant of this Lease but always excluding from this disregard those carried out in pursuance of an obligation to the Landlord or imposed by statute
- (iv) any conditions in or connected with any planning permission applied for by or on behalf of the Tenant or its sub-tenants or any permitted occupier or their respective predecessors in title which adversely affect the rental value of the Premises

1.3 "Surveyor" means an independent surveyor appointed in accordance with this Schedule

2. From each Review Date the Rent shall be such as may at any time be agreed between the Landlord and the Tenant as the rent payable from that Review Date or in default of such agreement shall be whichever is the greater of:

- (a) the Market Rent at that Review Date or
- (b) the rent payable under this Lease (disregarding any suspension of Rent pursuant to this Lease) immediately before that Review Date

3. If by a date three months before a Review Date the Rent payable from that Review Date has not been agreed the Landlord and the Tenant may agree upon a person to act as the Surveyor who shall determine the Market Rent in respect of the relevant Review Date but in default of such agreement then the Landlord or the Tenant may at any time whether before or after the Review Date make application to the President for the time being of the Royal Institute of Chartered Surveyors or his deputy to appoint the Surveyor to determine the Market Rent and such application shall request that the Surveyor to be appointed shall be a specialist in the letting of commercial premises comparable with the Premises

4.

4.1 Unless the Landlord and the Tenant otherwise agree in writing the Surveyor shall act as an arbitrator and not as an expert

- 4.2 If the Surveyor acts as an arbitrator the arbitration shall be conducted in accordance with the Arbitration Act 1996
- 4.3 If the Surveyor acts as an expert each party shall have the right to make representations to him (and to comment on representations made by the other party) and he shall consider them but will not be bound to take them into account and his decision shall be final and binding on the parties
- 4.4 If the Surveyor acts as an expert unless he shall otherwise direct the Landlord and the Tenant shall each be responsible for one half of his fees and if either the Landlord or the Tenant shall fail to pay any fees awarded against it within five working days of such fees being demanded by the Surveyor then the other of them shall be entitled to pay such costs and the amount to paid shall be repaid on demand by the chargeable party
- 4.5 If the Surveyor whether appointed as arbitrator or expert refuses to act or is incapable of acting or dies the Landlord or the Tenant may apply to the President for the time being of the Royal Institute of Chartered Surveyors or his deputy for the appointment of a further surveyor
5. If by a Review Date the Rent payable from that Review Date has not been ascertained pursuant to this Schedule the Tenant shall continue to pay the then current Rent and within 21 days of such ascertainment (being the date of agreement or of the Surveyor's award on determination) ("the due date") the Tenant shall pay to the Landlord the difference (if any) between the rent paid and the rent so ascertained for the period from that Review Date to the day before the quarter day next following such ascertainment ("the shortfall") together with interest at 4 per cent per annum below the Interest Rate on the shortfall calculated on a daily basis by reference to the quarter days upon which parts of the shortfall would have been payable if the revised rent had been ascertained at such dates down to the due date
6. So soon as and on each occasion on which the Rent payable from the Review Date has been ascertained details of the amount thereof shall be entered on memoranda to be signed by or on behalf of the Landlord and the Tenant respectively and annexed to this Lease and the counterpart thereof and the parties shall each bear their own costs in relation thereto
7. If at any Review Date there is any legal restriction upon the Landlord's right to collect review or increase the Rent in accordance with this Schedule then upon the ending removing or modification of such restriction the Landlord may at any time thereafter give to the Tenant not less than seven days' written notice requiring an additional rent review upon a date specified therein (being not earlier than the date of expiration of such notice) and the Rent payable from such date shall be ascertained as provided in this Schedule

SCHEDULE 6

Services and Service Charge

1. Definitions

1.1 The Services are as follows:

- (a) maintaining cleaning decorating and lighting the Common Parts and the exterior of the Building to good and tenantable standards
- (b) repairing (and whenever the Landlord acting reasonably regards it as necessary in order to repair to replace or renew parts of) the exterior and structure of the Building including for example:
 - (i) the roofs and foundations
 - (ii) the load bearing walls and columns
 - (iii) the external walls including any cladding and the windows
 - (iv) the floor slabs and other structural elements of the floors and ceilings
 - (v) all other structural parts
- (c) maintaining cleaning overhauling servicing and (where beyond economic repair) renewing or replacing the plant and equipment and Conduits in or that serve the Building (but not any that are the direct responsibility of any tenant within the Building)
- (d) supplying hot and cold water and washing and toilet needs in the toilets within the Common Parts
- (e) providing maintaining and (whenever the Landlord acting reasonably considers it appropriate) renewing or replacing fire protection and fire fighting equipment in the Common Parts

1.2 The Other Expenses are as follows:

- (a) the reasonable and proper fees for the management of the Building (whether carried out by the Landlord or outside agent) (in accordance with the principles of good estate management) the provision of Services and the collection of rents and other sums due from tenants and occupiers of the Buildings
- (b) the reasonable and proper costs of obtaining any professional advice which may from time to time be required in relation to the management of the Building and the provision of Services in keeping with the principles of good estate management

- (c) the reasonable and proper cost of employing staff and contractors engaged in the security maintenance cleaning and upkeep of the Building and in performing the Services including national insurance and pension contribution the provision of uniforms and working clothes and tools appliances cleaning and other materials needed for the proper performance of their duties
- (d) the reasonable and proper cost of supplying maintaining servicing and keeping in good condition and (whenever the Landlord acting reasonably considers it appropriate) to renewing or replacing (acting reasonably and where beyond economic repair) and insuring all fixtures fittings furnishings bins receptacles tools appliances equipment door furniture carpet soft furnishings floral displays internal planted areas signboards and other things that the Landlord may deem desirable for performing the Services or for the appearance or upkeep of the Building other than in the Lettable Areas
- (e) the reasonable and proper cost of providing such security maintenance cleaning and other arrangements and such staff and/or contractors in the Building as the Landlord in its absolute discretion deems desirable or necessary
- (f) the reasonable and proper cost of complying with the requirements of the insurers or of any statute or statutory authority that relate to the Building and for which no tenant is directly responsible
- (g) the reasonable and proper cost of electricity gas oil or other fuel and water used in connection with the provision of the Services or the carrying out of any works or the provision of any service or facility referred to in this Schedule
- (h) rates taxes and other outgoings that are charged assessed or imposed upon the whole of the Building or on parts of the Building not being Lettable Areas
- (i) the reasonable and proper costs where these cannot be recovered from another party of enforcing any claim or taking or defending any proceedings that the Landlord may (acting reasonably) at its discretion take or defend in relation to the Building which are for the general benefit of all or substantially all of the occupiers of the Building (for example):
 - (i) against contractors consultants architects engineers surveyors or others employed or engaged in connection with the Services
 - (ii) to establish preserve or defend any rights amenities or facilities used or enjoyed by occupiers of the Building or to which they may be entitled
- (j) any provisions for anticipated expenses in a subsequent year that the Landlord acting reasonably considers appropriate

- (k) the reasonable and proper cost of preparing and auditing Service Charge accounts (whether carried out by the Landlord or by the Landlord's Surveyor or accountants)

2. Provision of the Services

- 2.1 The Landlord must use its reasonable endeavours to provide the Services
- 2.2 The Landlord will not be liable to the Tenant for any failure to provide or for an interruption in the provision of the Services where the same arises from mechanical failure breakdown a malfunction or from strikes lockouts labour disputes or shortages or from any other cause or circumstance beyond the Landlord's reasonable control
- 2.3 The Landlord may in its absolute discretion add to extend vary withdraw or withhold any of the Services if the Landlord deems it desirable to do so for the more efficient management or security of the Building

3. Payment of the Service Charge

- 3.1 The Tenant must pay to the Landlord the Provisional Service Charge without any deduction or set-off by equal quarterly payments on the usual quarter days (this sum to be treated as rent)
- 3.2 As soon as practicable after every Accounting Date the Landlord will prepare and supply to the Tenant an account:
 - (a) showing the Expenditure for the period ending on the Accounting Date referred to in the account and containing a fair summary of the items referred to in it
 - (b) including a certificate of the Service Charge for that period signed by (at the discretion of the Landlord) the Landlord the Landlord's Surveyor or the Landlord's auditors accountants or managing agents ("the Certificate")
- 3.3 The Certificate will be conclusive evidence for the purposes of this Lease of the matters that it purports to certify (except in the case of manifest error)
- 3.4 If the Service Charge shown in the account for the period ending on any Accounting Date:
 - (a) exceeds the amount paid as Provisional Service Charge during that period the Tenant must pay to the Landlord the excess as rent within 28 days of demand
 - (b) is less than the amount paid as Provisional Service Charge during that period the Landlord will credit the excess to the Tenant against the next quarterly payment of Rent and Provisional Service Charge

3.5 Paragraph 3.7 will continue to apply notwithstanding the determination of this Lease but only in respect of the period up to the Termination Date and the Service Charge will be apportioned on a daily basis

IN WITNESS whereof the Landlord has caused its Common Seal to be hereunto affixed the day and year first before written

THE COMMON SEAL of HASTINGS)

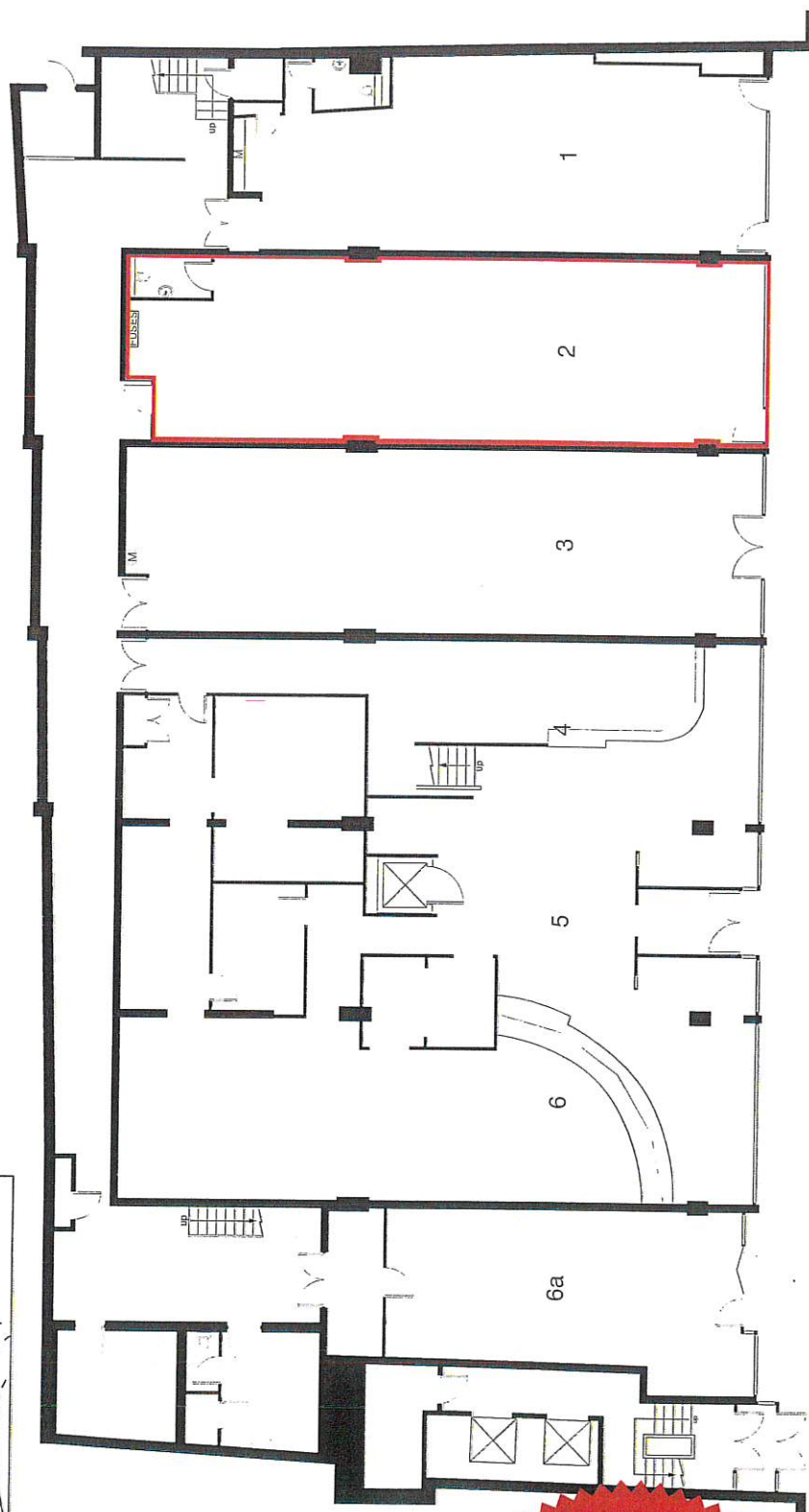
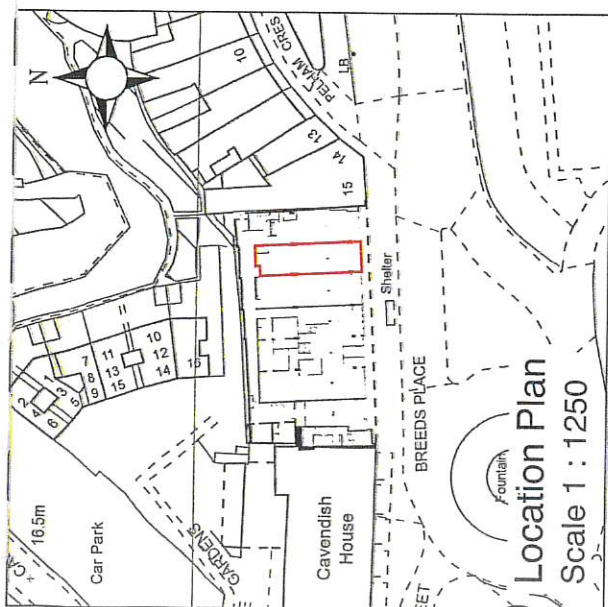
BOROUGH COUNCIL was hereunto)

affixed in the presence of:-

K. Cameron

AUTHORISED SIGNATORY





PAVEMENT OF BREEDS PLACE

[illegible]

K. Cameron



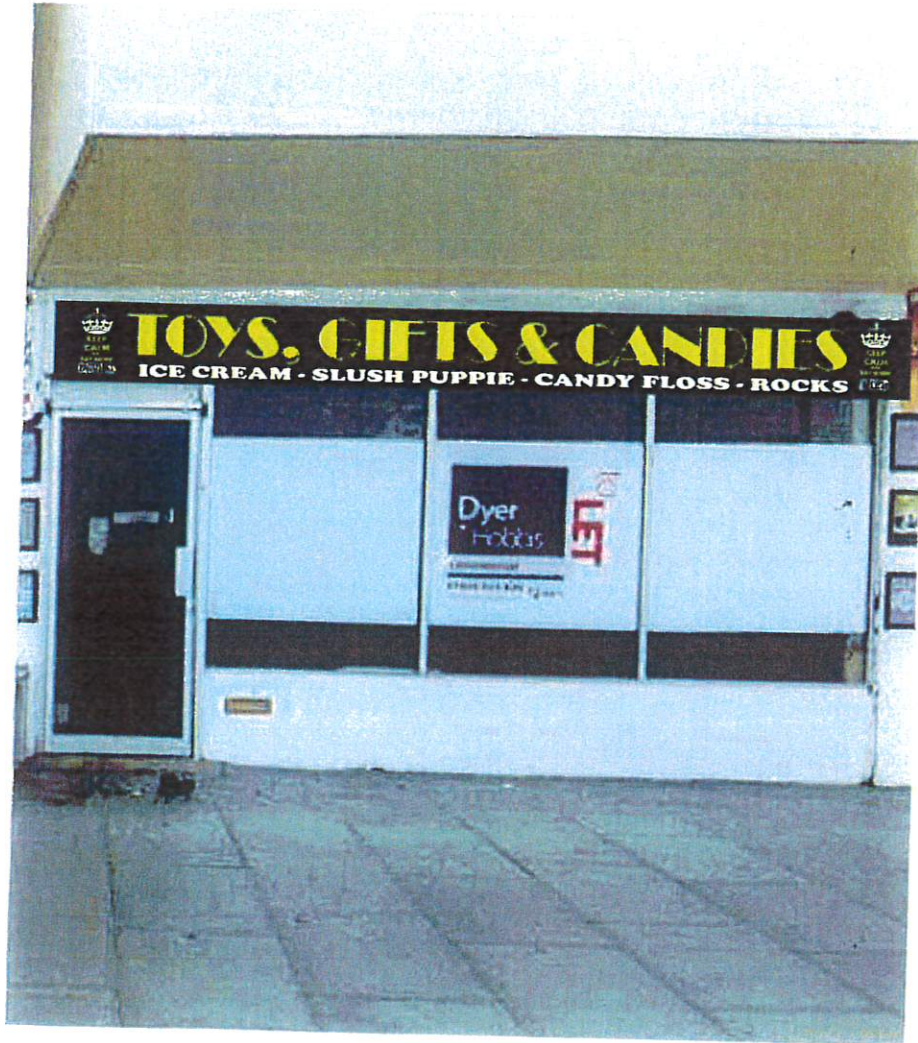
previous period shall continue to be payable until such determination is made

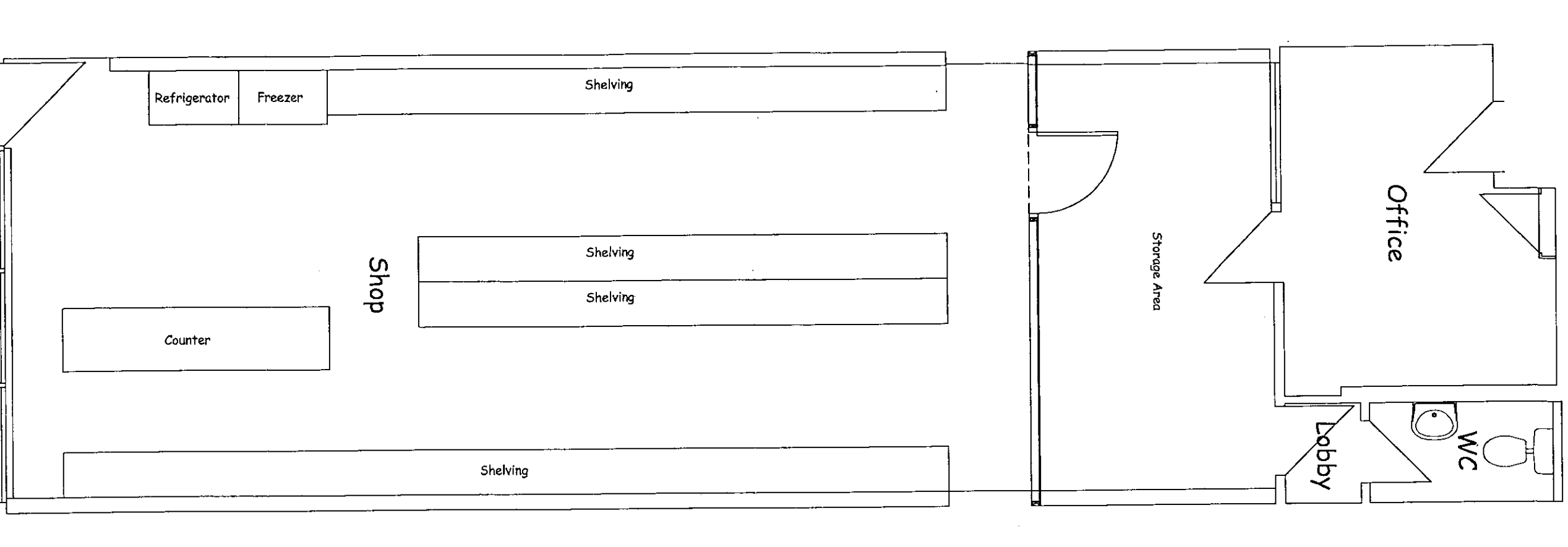
Rent:	TWELVE THOUSAND FIVE HUNDRED POUNDS (£12,500) per annum exclusive and the term "rents" includes both the Rent and the other sums reserved by clause 2 of this Lease
Rent Commencement Date:	26th April 2017
Service Charge:	the Tenant's Share of the Expenditure
Services:	the services facilities and works listed in paragraph 1.1 of Schedule 6
Specified Risks:	each of fire aircraft terrorism explosion storm tempest or impact and such other risks as may from time to time reasonably be required by the Landlord
the Tenant:	shall include the Tenant's successors in title and assigns in whom this Lease shall for the time being be vested
Tenant's Share:	a fair proportion as certified by the Landlord's Surveyor
Term:	the Contractual Term including (where the context so admits) any period of holding over or extension thereof or continuance thereof whether by statute or common law
Termination Date:	the date of determination of this Lease (howsoever arising)
VAT:	Value Added Tax or any tax of a similar nature which may be substituted for or levied in addition to it

1.2 Words importing the singular include the plural and vice versa and where there are two or more persons included in the expression "the Tenant" covenants expressed to be made by such persons shall be deemed to be made by them jointly and severally

1.3 Any reference to an Act of Parliament shall include any such Act any European Community Law Regulation or Directive any modification extension or re-enactment thereof for the time being in force and shall also include all instruments orders plans regulations permissions and directions for the time being made issued or given thereunder or deriving validity therefrom and any reference to any such instruments orders plans regulations provisions and directions shall include any modification or extension thereof for the time being

No 2 Shopfront





Do not scale from this drawing. All dimensions to be checked on site prior to commencement of work.



Asset Construction Consultants

Chartered Building Surveyors

St Leonards-on-Sea Office
1 Dittons Mews, St Leonards-on-Sea
East Sussex, TN38 9TQ

Hastings Office
43a Havelock Road, Hastings
East Sussex, TN34 1BE

Tel: 01424 853754 Fax: 01424 851210

Web: www.assetconstruction.co.uk
Email: enquiries@assetconstruction.co.uk

TITLE

Proposed Alterations
Layout Plan as Proposed

CLIENT

Mr Caglar Kanik

ADDRESS

**2 Breeds Place
Hastings
East Sussex
TN34 3AA**

DRAWING NO **17~6022~02**

SCALE@A3 1:50

DATE **March 2017**

ISSUE

