

Head lease Expires December 2002.

DATED 24 February 1981.

MARCHMONT PROPERTIES LIMITED

-to-

THE LONDON BOROUGH OF CAMDEN

LEASE

of Residential and garage accommodation
in the Borough of Camden in the
Greater London County

E O R
THE HANWY DISTRICT
LAND REGISTRY
LEASEHOLD TITLE REGISTERED
TITLE NUMBER NGL H25007

PAUL HEWITT

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Formding + ...

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THE FIRST SCHEDULE

Rights reserved to Lessee

1. Right to use Service way
2. Right to use Service Installations
3. Right to enter other parts of the building to carry out repairs etc
4. Right of access in case of fire

THE SECOND SCHEDULE

Rights reserved to Lessor

1. Access in case of fire or emergency
2. Right to use Service Installations
3. (a) Right to enter for repairs
(b) Right to make additions and alterations etc
4. Right to make Regulations
5. Rights of support and protection

THE THIRD SCHEDULE

Stipulations to be observed by Lessee

1. As to user
2. As to Service Way
3. As to signs and posters
4. As to display of goods etc
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THE FOURTH SCHEDULE

Service Expenditure

1. Maintenance of Structure
2. Maintenance of Service Installations
3. Maintenance of Service Ways and Common Parts
4. Rates on Common Parts
5. Insurance of Common Parts
6. Facilities necessary for Management
7. Management Charges

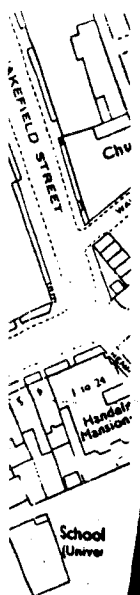
- (iv) To apply in making good the loss or damage in respect of which the same shall have been received all moneys becoming payable to the Lessee under any insurance of the demised premises or any part thereof effected otherwise than in accordance with the covenant on the part of the Lessor herein contained except moneys which shall have become payable in respect of loss or damage to tenants and trade fixtures and fittings.
- (v) At the Lessee's own expense throughout the said term to keep in good and substantial repair and condition all internal and external parts of the demised premises (other than the structure of the Building as hereinafter defined) and all service installations and fixtures and things included within the definition of the demised premises and also all service installations outside the demised premises which are for the time being adapted for use exclusively in connection therewith (damage by any of the insured risks as hereinafter defined excepted unless the insurance moneys or any part thereof shall be rendered irrecoverable by any act or default of the Lessee).
- (vi) The demised premises respectively so well and substantially repaired maintained and painted as aforesaid at the expiration or other sooner determination of the said term peaceably and quietly to leave surrender and yield up unto the Lessor together with all Landlord's fixtures and if so required by notice in writing served by the Lessor within the last three months of the term hereby granted to remove all tenants and trade fixtures and fittings and additions and improvements made for the benefit of the Lessee and will make good the demised premises to the approval of the Lessor's Surveyors.
- (vii) As often as necessary and to the approval of the Lessor's Surveyors to replace with fixtures or service installations of similar quality all Landlord's fixtures and also all service installations for the repair of which the Lessee is liable under the foregoing covenants which may become worn out or unfit for use.
- (viii) To permit the Lessor and its surveyors and agents with or without workmen and others from time to time at all reasonable times during the daytime upon prior appointment during the said term to enter upon the demised premises or any part thereof and inspect the condition thereof and also the condition of any service installations outside the demised premises which are adapted for use exclusively in connection therewith And upon the Lessor giving written notice to the Lessee of any works or things required to be executed or done for remedying any breach of the covenants in paragraphs (v) and (vi) of this Clause forthwith to execute and do and complete within a period of three calendar months after the giving of the notice all works and things lawfully thereby required to be executed or done And if the Lessee shall not execute and do and complete the works and things aforesaid within the period aforesaid then to permit the Lessor and its surveyors and agents with or without workmen to execute and do or complete the said works and things (and so far as necessary for this purpose to enter into the demised premises) and on demand to pay to the Lessor the amount of all expenditure incurred by the Lessor in executing and doing or completing the same.
- (ix) (a) To contribute and pay to the Lessor or at the discretion of the Lessor to any person incurring the expenditure hereinafter mentioned a Service Charge (hereinafter called "the Service Charge") equal to Twenty-five per cent (25%) of the total cost of the items of expenditure referred to in the Fourth Schedule hereto incurred or borne by the Lessor in each year (hereinafter called "the Service Year") ending on the Twenty-ninth day of September.
- (b) The Service Charge shall be paid in the manner following:
- (i) The Lessee shall pay on account of the Service Charge the sum of Ten Thousand Pounds (£10,000) per annum (and so in proportion for any period less than a year) payable in advance by equal quarterly instalments on the usual quarter days the first payment to be made on the signing hereof and being a proportion calculated to the Quarter Day

next following _____

- (ii) After the expiration of each Service Year an amount equal to the difference (if any) between the Service Charge for that Service Year and the aggregate of the sums paid on account of the Service Charge during that Service Year pursuant to the last preceding paragraph shall be paid by or allowed to the Lessee as the case may be _____
- (x) Not to cut or injure any part of the structure of the Building nor without the previous written consent of the Lessor which shall not be unreasonably withheld to make any alterations or additions to any external part of the Building nor make any alterations additions or connections to any service installations within or at or adjacent to the boundary of the demised premises nor overload the floors or ceilings of the demised premises or the service installations and to pay the Lessor's Solicitors' Surveyors' or Architects' and Engineers' fees and costs incurred in connection with the giving of any such consent _____
- (xi) To do and execute all such works as may under any Act of Parliament or Byelaw of the sanitary local or other authority for the time being be directed or required to be executed at any time during the said term upon or in respect of the parts of the demised premises for the repair of which the Lessee is liable under the foregoing covenants whether by the Landlord or tenant or the owner or occupier thereof _____
- (xii) (a) Not to assign mortgage or charge part only of the demised premises _____
- (b) Not without the written consent of the Lessor which shall not be unreasonably withheld to assign the whole of the demised premises _____
- (c) Not without the written consent of the Lessor which shall not be unreasonably withheld to underlet the demised premises or any part thereof except in the case of an Underlease or Tenancy of part of the demised premises for a term not exceeding fourteen years _____
- (xiii) To pay to the Lessor all reasonable costs charges and expenses including legal costs and fees payable to the Surveyor which may be reasonably incurred by the Lessor in or in contemplation of any proceedings under Sections 146 and 147 of the Law of Property Act 1925 in respect of the demised premises _____
- (xiv) To permit the Lessor and all persons claiming through or under or authorised by it as owner tenants or occupiers of any other parts of the property to exercise and enjoy the rights hereinbefore excepted or reserved to the Lessor _____
- (xv) To observe and perform the stipulations contained in the Third Schedule hereto and also all such regulations as are referred to in the Second Schedule hereto and of which the Lessee has received notice in writing _____

3. ~~The~~ Lessor HEREBY COVENANTS with the Lessee as follows during the said term:

- (a) To keep in good and substantial repair working order and condition and properly decorated the structure of the Building as hereinafter defined and all external parts thereof other than the parts of the demised premises and the other parts of the Building for the repair or decoration of which (as the case may be) the Lessee is liable under its covenants in that behalf hereinbefore contained and all service installations in the Building (other than those for the repair of which the Lessee is liable under the said covenant) and all parts of the Building which the Lessee is by virtue of the rights specified in paragraphs 1 and 2 3 and 4 of the First Schedule hereto for the time being entitled to use for the purposes therein referred to And to keep all such parts of the Building as aforesaid well and sufficiently cleaned and lighted _____
- (b) To insure and keep insured in the joint names of the Lessor and the Lessee the Building and all plant and equipment boilers lifts and service installations and plate glass against



loss or damage by fire tempest lightning aircraft and things dropped therefrom explosion storms riots and civil commotion malicious damage impact bursting overflowing of water tanks and apparatus and earthquake (hereinafter called "the insured risks") and such other risks as the Lessor may from time to time determine in the full value thereof (including architects' and surveyors' fees calculated on such value at the current scales for the time being of the Royal Institute of British Architects and the Royal Institution of Chartered Surveyors) and also a sum equal to three years' rent of the Building at a rate not exceeding the aggregate of the rents for the time being reserved to the Lessor in respect of the Building And whenever thereunto required by the Lessee to produce to the Lessee the policy or policies of such insurance and evidence of payment of the premiums payable for the then current year And in case the Building or any part thereof shall at any time during the said term be destroyed or damaged by any of the insured risks or such other risks as aforesaid then providing there shall be no War Government restriction or other similar cause or reason beyond the control of the Lessor forthwith to apply the insurance moneys received in rebuilding and reinstating the Building and the fixtures aforesaid or such parts thereof as shall be so destroyed or damaged and to make good any deficiency out of its own moneys _____

PROVIDED NEVERTHELESS that if:

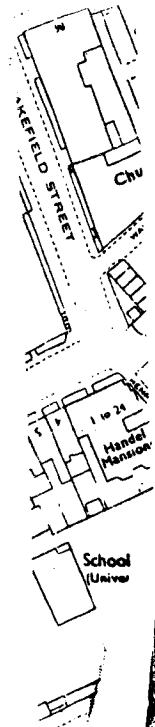
- (i) the insurance moneys which would otherwise be recoverable by the Lessor upon such destruction or damage or any part thereof shall be irrecoverable by reason of any antecedent breach of the Lessee's covenants herein contained or of any other act or default of the Lessee and _____
- (ii) the insurance moneys which would otherwise have been recoverable would have been sufficient entirely to rebuild reinstate and repair the Building and fixtures aforesaid (including the demised premises) or such parts thereof as shall have been so destroyed or damaged the Lessor shall not be bound under the foregoing covenant to expend any moneys in rebuilding repairing or reinstating the demised premises or any fixtures comprised therein except such part (if any) of any insurance moneys recoverable by the Lessor as may remain after the application thereof in rebuilding repairing and reinstating any other parts of the Building and any other fixtures _____
- (c) That the Lessee paying the rents hereby reserved and observing and performing the covenants on its part and the conditions herein contained shall and may peaceably and quietly hold and enjoy the demised premises without any disturbance by the Lessor or any person lawfully claiming through under or in trust for it _____

4. PROVIDED ALWAYS AND IT IS HEREBY AGREED AND DECLARED as follows:

- (a) (i) The amount of any expenditure referred to in the Fourth Schedule shall be certified by the Lessor's Surveyors whose decision shall (subject as hereinafter provided) be final and binding PROVIDING ALWAYS that the Lessor or the Surveyor shall at all times keep a full and proper account of all expenditure which account shall be subject to annual audit and upon completion of the audit the Lessor or the Surveyor will provide the Lessee with a copy thereof and will produce all receipts necessary in support of the same _____
- (ii) If within a period of two months after receiving a copy of the audit as aforesaid the Lessee shall give notice in writing to the Lessor that the audit is not agreed and reasons therefor then the parties shall forthwith endeavour to reach agreement but should they fail so to do within a further period of one month thereafter then either party may by notice in writing to the other refer the matters in dispute to arbitration in accordance with the provisions of Clause 4(g) hereof and any payment of the Service Charge shall be deemed to have been made without prejudice thereto and shall be adjusted according to the _____

decision of the arbitrator _____

- (b) In case the demised premises or any part thereof shall at any time during the term hereby created be destroyed or damaged by any of the insured risks or by any such other risks as are referred to in paragraph (b) of Clause 3 hereof so as to be unfit for occupation or use then (save to the extent that the insurance moneys which would otherwise thereupon be recoverable by the Lessor in respect of loss of rent shall be irrecoverable by reason of any antecedent breach of the Lessee's covenants herein contained or of any other act or default of the Lessee) the rents for the time being payable hereunder or a fair and just proportion thereof according to the nature of the damage sustained (the amount of such proportion to be agreed by the parties or in default of agreement to be determined by arbitration) shall from the date of such destruction or damage until the expiration of three years therefrom or until the demised premises or such part thereof are so reinstated as to be fit for occupation and use (whichever shall be the sooner) be suspended and cease to be payable _____
- (c) If there shall be a breach of any of the covenants or conditions herein contained and on the part of the Lessee to be observed and performed it shall be lawful for the Lessor to re-enter upon the demised premises or any part thereof in the name of the whole and thereupon the term hereby created shall absolutely cease and determine _____
- (d) Subject and without prejudice to the express covenants on the part of the Lessor hereinbefore contained and to the easements expressly or by implication included in the demise hereinbefore contained but otherwise notwithstanding anything herein contained nothing herein shall impose any obligation or restriction on the Lessor or any person claiming through or under it as to the user of any parts of the Building other than the demised premises or affect or prejudice the right of the Lessor to grant such Leases as the Lessor shall think fit of such other parts of the Building as aforesaid either subject to such restrictions as to user or otherwise as the Lessor shall think fit or free from any such restrictions or to waive or vary any restrictions so imposed _____
- (e) In this Lease where the context so admits:
- (i) "The Building" shall mean all buildings and structures erected on over and under parts of the piece of land bounded by Handel Street Hunter Street Brunswick Square Bernard Street and Marchmont Street in the Borough of Camden delineated with a blue boundary line on the plan numbered 1 annexed hereto and shall include all alterations and additions thereto and shall also include the service ways pedestrian ways vehicle ways and ramps within the said boundary line whether there is a building thereon or thereunder or not _____
 - (ii) reference to "the demised premises" shall include all external windows and lights and the frames thereof and all alterations and additions to the demised premises or to any service installations or fixtures or things included within the definition thereof _____
 - (iii) references to "landlord's fixtures" shall include all fixtures installed by the Lessor before the date hereof and any other service installations or fixtures (other than such service installations as are expressly excluded from the foregoing demise and other than tenant's fixtures or trade fixtures) now or hereafter installed in or annexed to or at or adjacent to the boundary of the demised premises and all fixtures hereafter during the said term installed in or annexed to or at or adjacent to the boundary of the demised premises in replacement of any landlord's fixtures _____
 - (iv) "service installations" shall mean all lifts ducts smoke extractors and air-intake flues fuel filling points drains channels gutters sewers wires conduits and cables oil storage tanks pumps and ancillary pumping equipment switches sprinkler valves and other parts of any ventilation water central heating refrigeration gas _____



electrical television telephone or drainage system for the time being installed in the Building (other than tenants' or trade fixtures) _____

(v) references to "the structure of the Building" shall mean inter alia the brickwork stone or other materials used in the facing of the exterior of the Building the main walls and structural frame thereof and the columns and slabs and beams supporting the Building and the floors thereof and the roofs and foundations of the Building and any canopy and shall include any service installations wholly within such foundations _____

(vi) "the Surveyor" shall mean the surveyor appointed from time to time by the Lessor for the management of the Building _____

(vii) references to "determination by arbitration" shall mean arbitration by a sole arbitrator appointed jointly by the parties hereto or if no such arbitrator has been so appointed within twenty-one days after one party has made a written request to the other to concur in such an appointment then by a sole arbitrator nominated by the President for the time being of the Royal Institution of Chartered Surveyors on the application of either party _____

(f) Any certificate in writing of the Surveyor as to any matter or thing to be certified by him for the purpose of any provision hereof shall be conclusive between and binding on the Lessor and the Lessee unless referred to arbitration in accordance with the provisions of the next following Clause _____

(g) (i) Any dispute concerning the provisions of this Lease shall in default of agreement by the parties hereto be determined by written reference to an arbitrator to be jointly agreed upon or in default of agreement to be appointed by the President for the time being of the Royal Institution of Chartered Surveyors and who shall act in accordance in all respects with the provisions of the Arbitration Act 1950 and the decision of any such arbitrator shall be final and binding upon the parties hereto _____

(ii) It is agreed that either party may call upon the other to refer any matter in dispute as aforesaid to arbitration by notice in writing given at any time _____

IN WITNESS whereof the said parties to these presents have caused their respective Common Seals to be hereto affixed the day and year first above written _____

THE FIRST SCHEDULE before referred to
(Lessee's Rights)

1. The right at all times of the day and night to use the Service Way coloured brown on the plans numbered 2 and 3 annexed hereto for the purpose only of access on foot or with vehicles with or without burdens to and from the demised premises _____

2. The right to use in connection with the demised premises all service installations for the time being in any part of the Building adapted for use in connection with the demised premises (whether exclusively or in common with any other part of the Building) _____

3. The right to enter into or on any part of the Building other than the demised premises for the purpose of inspecting cleansing repairing maintaining renewing or replacing any part of the demised premises or any such service installations as are referred to in the last foregoing paragraph of this Schedule and to execute and do therein or thereon all works and things necessary or expedient for any such purpose PROVIDED NEVERTHELESS that the foregoing right shall not be exercisable except upon the following conditions namely:

(a) reasonable notice of any intended exercise thereof shall first be given to the Lessor and the tenants undertenants and occupiers of the part of the Building intended to be entered and _____

(b) any damage to any such part of the Building occasioned in the exercise thereof shall forthwith be repaired and made good at the expense of the Lessee _____

4. The right of access in case of fire or other emergency through all parts of the Building through which access can be had from the demised premises _____

5. Full right and liberty at all times hereafter to have the demised premises and any future buildings erected upon the same foundations and requiring for their stability the same support as or any less support than the demised premises require from the soil or land of the Building whether lateral or subjacent (provided that such future buildings shall be erected within the period of eighty years from the date hereof which shall be the perpetuity period applicable hereto) supported upheld and maintained by the soil or land of the Building _____

THE SECOND SCHEDULE before referred to

(Lessor's Rights)

1. The right of access in case of fire or other emergency through all parts of the demised premises through which access can be had from any other part of the Building _____

2. The right to use in connection with any part of the Building other than the demised premises all service installations for the time being in or at or adjacent to the boundary of the demised premises adapted for use in connection with any other part of the Building (whether exclusively or in common with the demised premises) _____

3. (a) The right to enter into or on the demised premises for the purpose of inspecting cleaning repairing renewing or replacing any service installations (whether within or outside the demised premises) or any part of the Building adjacent to the demised premises or executing or doing any works or things required to be executed or done in or about the observance or performance of the Lessor's covenants contained herein or in any other lease granted by the Lessor or under or pursuant to any enactment and the right to execute and do in or near the demised premises any works or things necessary or expedient for any such purpose _____

(b) The right to add to or alter the Building (other than the parts thereof comprised in the demised premises) and to erect any new buildings on any part of the site of the Building not occupied by the demised premises and in connection with any such addition alteration erection or extension to install new service installations in or at the boundary of the demised premises or any part thereof and connect the same to any service installations for the time being in or at the boundary of the demised premises (other than and except service installations adapted for use exclusively in connection with the demised premises) and to enter into or on the demised premises or any part thereof and execute and do therein or thereto any works or things necessary for the exercise of such rights _____

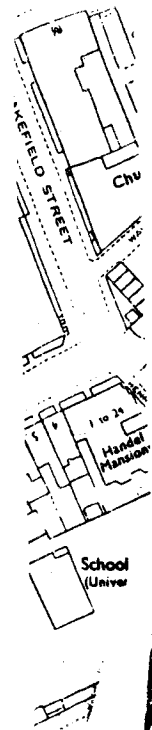
PROVIDED NEVERTHELESS that the foregoing rights shall not be exercised and no works pursuant thereto shall be executed except on the following conditions namely:

(a) reasonable notice of the works intended to be executed shall first be given to the Lessee _____

(b) any planning or other permission consent or approval requisite under any enactment for the execution of the works shall first be obtained and the same shall be executed only in accordance with any such permission consent or approval and any conditions attached thereto _____

(c) the works shall be carried out with the minimum of interference annoyance and inconvenience to the Lessee _____

(d) any damage occasioned to the demised premises in or about the execution of the works aforesaid shall forthwith upon completion thereof be repaired and made good at the expense of the Lessor _____



(e) there shall be no adverse effect upon the user of the demised premises nor any substantial diminution of light thereto _____

4. The right to make and from time to time alter or amend such regulations as may be reasonably required for the better control and management of the Common Parts of the Building _____

5. The right of support and protection from the demised premises for all parts of the Building not comprised therein and for any additions thereto or buildings erected in substitution therefor _____

THE THIRD SCHEDULE before referred to
(Stipulations to be observed by Lessee)

1. Except with the prior consent in writing of the Lessor which shall not be unreasonably withheld to use the demised premises solely for the purposes set out below:

As to the:	Lower Basement Level	Car parking and storage accommodation ancillary thereto
As to the:	Ground first second third fourth fifth sixth and seventh levels	Residential flats
As to the:	Other accommodation	Such uses as may from time to time be permitted under the Town and Country Planning Acts for the time being in force

and shall not permit the same or any part thereof to be used for any sale by auction or for any improper or immoral purpose or any purpose which may be or become a nuisance or annoyance to the Lessor or any adjoining owner or occupier _____

2. Not to place or suffer to be placed any goods in the service way nor to permit any vehicle to remain parked in the service way for any purpose other than the loading or unloading of vehicles _____

3. Not to place or suffer to be placed on any of the external walls of the Building or the demised premises any placards posters or advertisements whatsoever or any blind sign fascia fascia board sign board plate or other contrivance (whether illuminated or not) without the previous consent in writing of the Lessor which shall not be unreasonably withheld in the case of normal signs giving the names of the flats and the names of the occupants and reserving unto the Lessor the right at all times to require the Lessee to remove forthwith all such placards posters advertisements or any other article from the exterior of the demised premises which in the Lessor's Surveyors' opinion are unsuitable for display _____

4. Not to display or deposit goods outside the demised premises whether on the forecourt or not _____

5. Not to do or suffer to be done in or upon the demised premises any act or thing which would render the policy of insurance of the demised premises void or voidable or which may be or become a nuisance or annoyance to the Lessor or neighbouring lessees owners or occupiers _____

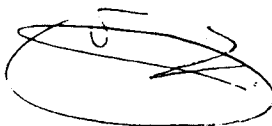
6. Not at any time during the continuance of the said term to store or permit to be stored in any part of the demised premises any greater quantity of inflammable liquid or material at any one time than shall be permitted by the insurance company with which the demised premises shall from time to time be insured and by the local authority and in all respects to comply with the rules and ^{regulations} ~~regulations~~ of such insurance company and the local authority with regard to the method of storing such inflammable liquid or material and to pay any additional sum required by the insurance company in respect of any extra risk involved thereby and not at any time during the continuance of the said term to do or suffer or permit to be done in or in relation to the demised premises any act or thing which may or may be likely to make void or

voidable any policy of insurance for the time being maintained by the Lessor pursuant to paragraph (b) of Clause 3 of this Lease or render irrecoverable any insurance moneys thereby secured or increase the premium payable for keeping on foot the same and in particular will not store or permit to be stored upon the demised premises or any part thereof any fireworks or pyrotechnics or other inflammable materials as defined in the Explosive Acts and the Petroleum Acts _____

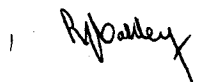
THE FOURTH SCHEDULE before referred to
(Service Expenditure)

1. Expenditure in or about the maintenance repair and decoration of any parts of the Building including the structure thereof not included in this or any other demise _____
2. Expenditure in or about replacement maintenance and repair of the service installations including any insurance taken out in respect thereof _____
3. Expenditure in or about the repair (including the decorative repair) heating ventilation cleaning and lighting of the service ways coloured brown on the plans numbered 2 and 3 annexed hereto and any other parts of the Building used in common with others _____
4. Expenditure on any existing or future taxes rates charges duties assessments impositions and outgoings whatsoever whether payable by the Landlord or Tenant or the owner or occupier in respect of those parts of the Building referred to in paragraph 3 of this Schedule _____
5. Expenditure in or about the observance and performance of the Lessor's covenant for insurance contained in paragraph (b) of Clause 3 of this Lease (excluding expenditure in or about any such repair rebuilding or reinstatement as is therein referred to) in respect of the common parts of the Building _____
6. Expenditure in or about the provision of such services or facilities as the Lessor or their Surveyor considers necessary for the better management or control of the common parts of the Building _____
7. Reasonable expenditure on management fees and disbursements including the remuneration of the Surveyor _____

THE COMMON SEAL of MARCHMONT PROPERTIES LIMITED)
was hereunto affixed in the presence of: _____)



Director



Secretary

