

Draft Heads of Terms (A House for Artists)

Headlease of 1-12 House for Artists, 36 Linton Road, Barking, IG11 8SE

1. Landlord

The Mayor and Burgesses of the London Borough of Barking and Dagenham of Town Hall, 1 Town Square Barking IG11 7LU

2. Tenant

B&D Reside Weavers LLP

Company number: OC416198

Registered office address: Barking Town Hall, Town Square, Barking IG11 7LU

3. Property

3.1 Land and buildings known as 1-12 House for Artists, 36 Linton Road, Barking, IG11 8SE, edged red on the demise plan. The building consists of 12 units arranged over 4 storeys.

3.2 [NB Confirmation of the extent of the demise and use of parking awaited]

4. Term

4.1 The lease will be for a term of 130 years from [1 April 2022]

4.2 The security of tenure provisions of the Landlord and Tenant Act 1954 are not excluded.

4.3 There are no break rights.

5. Premium

5.1 £ 4,740,037.00

6. [Rent and rent review] details to be agreed

The annual rent is calculated as follows:

From the Term Commencement Date until 31 March 2023;

The higher of: (i) £0; and

(ii) Income - (Loan Obligations + Block Service Charge + Estate Service Charge + Apartments Service Charge + Parking Service Charge + Management Fee + First Year Agreed Sum + Insurance Premium)

From 1 April 2023 until the end of the Term

The higher of: (i) £0; and (ii) Income - (Loan Obligations + Block Service Charge + Estate Service Charge + Apartment Service Charge + Parking Service Charge + Management Fee + Agreed Sum + Insurance Premium) - Prior Year Deficit Rent

[NB The First Year Agreed sum is x and thereafter the Agreed Sum is x]

7. [Services and service charge] details to be agreed.

- 7.1 The Council as the freeholder provides services. These cover Block Services, Estate Services, Apartment Services and Parking Services and costs for each element are calculated separately.
- 7.2 The services for each element are set out in the lease and include maintenance and repair of the structure, exterior and common parts.

8. Insurance

- 8.1 The landlord will insure the property and the tenant will refund the premiums on demand.

9. Use

- 9.1 No restrictions permitted use other than obtaining planning permission.

10. [Assignments and underleases] details to be agreed.

- 10.1 The tenant can assign the lease with the landlord's prior written consent, which cannot be unreasonably withheld.
- 10.2 No underletting is permitted except for subleases of the individual apartments on terms consistent with the headlease.
- 10.3 The tenant cannot share occupation of the property with any company in the same group of companies as the tenant.

11. [Repair] details to be agreed.

- 11.1 [The Council as freeholder is responsible for all repairs to the property, the costs of which is recovered from the tenant through the service charge.]

12. [Alterations] details to be agreed.

- 12.1 The tenant can make structural or external alterations to the property with the landlord's prior written consent, which cannot be unreasonably withheld.

12.2 Other alterations would not require landlord's consent.

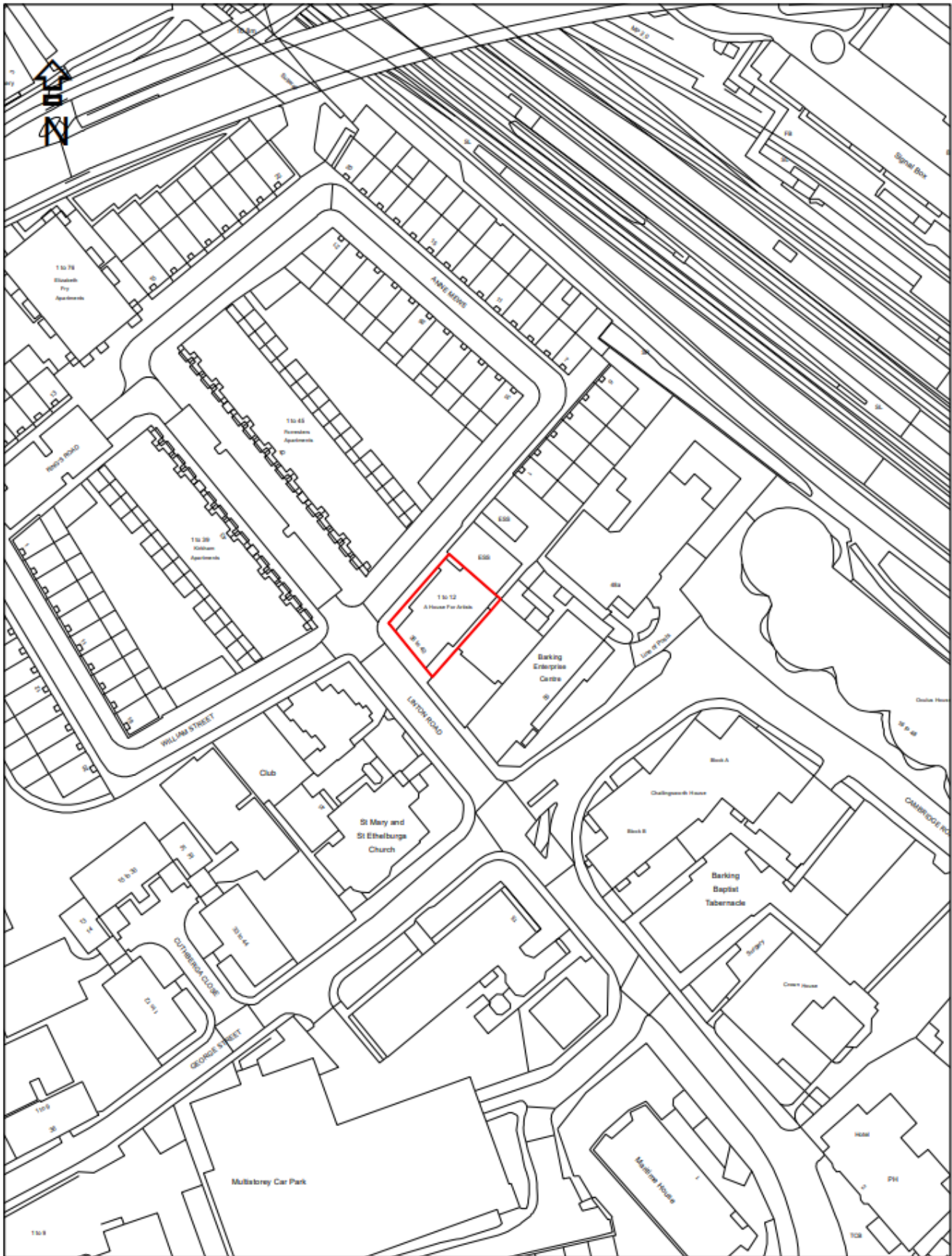
12.3 There are no restrictions relating to signs on the outside of the property or that would be visible from the outside of the property (except any consents as may be required by statute must be obtained).

13. Conditions of Superior Landlord Consent

N/A

14. Costs

Each party is responsible for its own legal costs in connection with this transaction.



HOUSE FOR ARTISTS, LINTON ROAD, BARKING

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**Barking &
Dagenham**

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