H.M. LAND REGISTRY

LAND REGISTRATION ACTS 1925 to 1971

County and District : Cheshire - Chester

CH 235671 : Title No

: No The Shipgate Castle Drive Property

Chester and Parking Space No -

T H I S UNDERLEASE is made the

day of

One thousand nine hundred and

eighty-B E T W E E N : DESIGN '& CONSTRUCTION (OLIVER) LIMITED whose registered office is at Vron Yw Llangwfan Clwyd (hereinafter called "the Lessors") of the first part THE SHIPGATE MANAGEMENT COMPANY LIMITED whose registered office is at 43 White Friars Chester Cheshire (hereinafter called "the Management Company") of the second part and lessee specified in the Sixth Schedule hereto (hereinafter called "the Lessee") of the third part.

WHEREAS:

- The Lessors are registered at H.M. Land Registry as (1)proprietors with absolute title of the leasehold property comprised in the title above referred to known as The Shipgate Castle Drive Chester consisting of fifteen flats and eighteen parking spaces and the grounds thereof (all which premises are here in after referred to as "the Development") and the building of which the flat hereby demised forms part is hereinafter referred to as "the building");
- The Lessors have previously granted or intend here (2)after to grant leases of the flats and twelve of the. parking spaces in the Development and the Lessees have in every such lease heretofore granted imposed and intend in every future such lease to impose the restrictions and stipulations set forth in the;

First Schedule hereto to the intent that any lessee for the time being of any flat in the Development may be able to enforce the observance of the said restrictions and stipulations by the lessees and occupiers for the time being of the other flats;

- (3) The Lessors have agreed with the Lessee for the grant to the Lessee of a lease of the property hereinafter described for the consideration at the rents and on the terms and conditions hereinafter appearing;
- (4) The Lessors intend forthwith on the grant of all leases of the fifteen flats and twelve parking spaces in the Development for terms equal to the term here by granted or the Thirty first day of December One thousand nine hundred and eighty six (whichever shall be the earlier) to transfer the Lessors' lease hold title to the Development to the Management Company for a nominal consideration:

NOW THIS DEED W I T N E S S E T H as follows :-

of the sum mentioned in the Sixth Schedule hereto paid to the Lessors by the Lessee on or before the execution hereof (the receipt whereof the Lessors hereby acknowledge) and of the rents and covenants hereinafter reserved and contained and on the part of the Lessee to to be paid observed and performed the Lessors HEREBY DEMISE unto the the Lessee FIRST A L L THAT the flat at The Shipgate Castle Drive Chester Cheshire (herein after called "the Flat") shortly described in the Sixth Schedule hereto the situation whereof is shown on the plan A annexed hereto and thereon edged red AND

SECONDLY A L L THAT the parking space thereat (herein space after called "the parking" space") shortly described in

the Sixth Schedule hereto the situation whereof is shown on plan B annexed hereto and thereon coloured green (the flat and the parking space hereinafter referred to as "the demised premises") $\underline{\text{TOGETHER WITH}}$ the easements rights and privileges mentioned in the Second Schedule hereto subject as therein mentioned $\underline{\text{EXCEPT}}$ AND $\underline{\text{RESERVING}}$ as mentioned in the Third Schedule hereto $\overline{\mbox{TO HOLD}}$ the same unto the Lessee from the Twenty fifth day of December One thousand nine hundred and eighty four for the term of Nine hundred and ninety seven years $\underline{\mathtt{YIELDING}}$ $\underline{\mathtt{AND}}$ $\underline{\mathtt{PAYING}}$ therefore in respect of the first Twenty five years of the said term the yearly rent of Thirty Pounds in respect of the second Twenty five years of the said term the yearly rent of Fifty Pounds in respect of the third Twenty five years of the said term the yearly rent of Eighty Pounds in respect of the fourth Twenty five years of the said term the yearly rent of One hundred and twenty Pounds and in respect of the remainder of the said term the yearly rent of One hundred and seventy Pounds to be paid in advance on the Twenty fifth day of December in every year free of all deductions whatsoever the first payment thereof being a proportionate part of the said annual sum calculated from the date hereof to the next rent day to be made on the execution hereof.

Lessee's covenant to observe restrictions

THELessee hereby COVENANTS with the Lessors with the owner's and lessees of the other flats comprised in the Development that the Lessee and the persons deriving title under him will at all times hereafter observe the restrictions and stipulations set forth in the First Schedule hereto.

Lessee's covenants

and as separate covenants with the Management Company and with the lessees of the other flats comprised in the Development as follows:

- (a) To pay the said rents during the said term at the times and in manner aforesaid without any deduction;
- (b) To pay all rates taxes assessments charges impositions and outgoings which may at any time during the said term be assessed charged or imposed upon the demised premises or the owner or occupier in respect thereof and in the event of any rates taxes assessments charges impositions and outgoings being assessed charged or imposed in respect, of premises of which the demised premises form part to pay the proper proportion of such rates taxes assessments charges impositions and outgoings attributable to the demised premises;
- (c) Not to make any structural alteration or structural addition to the demised premises nor to erect any new buildings thereon or remove any of the Landlord's fixtures nor to alter the windows or window frames or doors or door frames without the previous consent in writing of the Lessors;
- (d) To pay all costs charges and expenses (including Solicitors' costs Counsel's fees and Surveyor's fees together with any valued added or other tax payable in respect of such costs and fees) incurred by the Lessors for the purpose of or incidental to the preparation and service of a notice under Section 146 of the Law of Property Act 1925 notwithstanding forfeiture may be

avoided otherwise than by relief granted by the Court;

notice affecting the demised premises served by any person body or authority (other than the Lessors) to deliver a true copy thereof to the Lessors and if so required by the Lessors to join with the Lessors in making such representations to any such person body or authority concerning any proposals affecting the demised premises as the Lessors may consider desirable and to join with the Lessors in any such appeal against any order or direction affecting the demised premises as the Lessors may consider consider desirable;

Assignment

- (f) (A) Not at any time to assign sub-let or part
 with possession of part of the demised
 premises;
 - (B) Not at any time to assign or transfer the whole of the demised premises unless prior to or contemporaneously with the assignment the assignee shall execute a deed in the form set out in the Fifth Schedule hereto and forthwith after the assignment deliver the same ' duly stamped to the Management Company together with an application by the assignee to become a member of the Management Company;
 - (C) Not at any time to sub-let the whole of the demised premises without the consent in writing of the Management Company which consent shall not be unreasonably withheld

provided that nothing herein contained shall prevent the Lessee from taking in a paying guest (not being a tenant) nor shall any consent be required to any letting of the whole of the demised premises under a yearly letting of the whole of the demised under a yearly monthly and weekly tenancy or weekly tenancy or for a term not exceeding three years;

- (D) Not during the last seven years of the said term to assign underlet or part with the possession of the whole of the demised premises (save as aforesaid) without the consent in writing of the Lessors such consent not to be unreasonably withheld; (g) (A) On the occasion of any assignment or other disposition of the demised premises to which the Lessee is a party or over which the Lessee had control to ensure that the assignee or person acquiring the demised premises as a result of such assignment or disposition becomes a member of the Management Company in place of the person being the member in right of his ownership of this lease prior to such assignment or disposition;
 - (B) On the occasion of any devolution of the Lessee's title to this lease by operation of law or any assignment or other disposition of the demised premises to which the Lessee is not a party and over which he has no control to use his best endeavours to ensure that the assignee or other person

acquiring title to this lease as a result of such devolution assignment or other disposition becomes a member of the Management Company in place of the person being a member in right of his ownership of this lease prior to such assignment or disposition;

- (C) If and so long as the Lessee is not a member of the Management Company in right of his ownership of this lease to carry out the obligations of a member of the Management Company as though he were such a member;
- (h) Within one calendar month after any such document or instrument as is hereinafter mentioned shall be executed or shall take effect or purport to operate or take effect to produce without request to the Lessors' Solicitors and the Management Company's Solicitors every transfer of this Lease or mortgage or legal charge (or in accordance with the Land Registration Rules a copy thereof) of this Lease or the demised premises or any part and also every underlease of the demised premises or any part thereof for substantially the whole of the unexpired term and every transfer or assignment of such underlease and also every probate letters of administration order of court or other instrument effecting or evidencing a devolution of title as regards the term hereby granted or any such underlease as aforesaid for purpose of registration and for such registration to pay to such Solicitors a fee

in respect of each such document or instrument or copy thereof so produced (a) during the first twenty five years of the term hereby granted of Ten pounds; (b) during the second twenty five years of the said term of twenty pounds; (c) during the third twenty five years of the said term of Forty pounds; (d) during the fourth twenty five years of the said term of Sixty pounds and (e) during the remainder of the said term of Eighty pounds Provided that if such document or instrument or copy thereof shall not be so produced without request by or on behalf of the Lessors the said fee shall be doubled but without prejudice to the Lessors' right of forfeiture for breach of covenant. Any value added or other tax payable in respect of the said fee shall be added to such fee and be paid by the Lessee;

- (i) At the expiration or sooner determination of the said term peaceably to surrender and yield up to the Lessors all and singular the demised premises together with all additions thereto and all landlord's fixtures (if any) in good tenantable repair and condition;
- (j) To keep the demised premises and all walls party walls windows window frames doors door frames sewers drains pipes cables wires and appurtenances thereto belonging (other than the parts thereof comprised and referred to in Clause 5 (A) (i) hereof) in good and tenantable repair and condition and in particular (but without prejudice to the generality of the foregoing) sc as to support shelter and protect the parts

- of the Development other than the demised premises;
- (k) In the year One thousand nine hundred and ninety-two and in every succeeding seventh year and in the last year of the said term howsoever determined to paint with two coats of best quality paint paper and distemper in a good and workmanlike manner all the inside parts of the Flat respectively heretofore or usually painted papered or distempered;
- (1) To permit the Lessors and others authorised by them with or without workmen and others at all reasonable times on notice (except in the case of emergency) to enter into and upon the demised premises or any part thereof for the following purposes namely: (a) to repair any part of the Development or adjoining or contiguous premises and to make repair maintain rebuild cleanse and keep in order and good condition all sewers drains pipes cables watercourses gutters wires party structures or other conveniences belonging to serving or used for the same and to lay down maintain repair and test drainage gas and water pipes electric and other wires and cables and for similar purposes the Lessors or other persons exercising such right (as the case may be) doing no unnecessary damage and making good all damage occasioned thereby to the demised premises; and (b) to view and examine the state and condition of the demised premises and to check and take inventories of the landlord's fixtures therein (if any); (m) To make good all defects decays and wants of

repair of which notice in writing shall be given by the Lessors to the Lessee and for which the Lessee may be liable hereunder within three months after the giving of such notice; (n) Not to do or permit to be done any act or thing which may render void or voidable any policy or policies of insurance of the Development or any part thereof or any policy or policies of insurance in respect of the contents of any of the flats comprised in the Development or which may cause an increased premium to be payable in respect thereof;

- (o) To observe and perform the covenants of the lessee in a Lease (hereinafter called "the Head Lease") dated the Tenth day of November One thousand nine hundred and eighty three and made between Cheshire County Council of the first part The Council of the City of Chester of the second part and the Lessor of the third part
- (ii) If the Lessors and the Lessee shall fail to agree what constitutes the proper proportion of the rates taxes assessments charges impositions and outgoings under sub-paragraph (b) of sub-clause (i) of this clause the matter shall be determined by the Lessors but if the Lessee or the lessees or lessee of any of the other flats comprised in the Development shall be unwilling to accept the determination of the Lessors he or they shall be entitled to have the matter determined by an independent surveyor nominated in default of agreement by the President of the Royal Institution of Chartered Surveyors whose fees (and any value added or other tax payable in

respect thereof) shall be paid by the person or persons requiring such determination to be made. Such last mentioned surveyor's determination shall be final and binding on the parties. Service Charge

- 4. (i) THE Lessee hereby COVENANTS with the Lessors and as a separate covenant with the Management Company to contribute and pay the proportion mentioned in the Sixth Schedule hereto of the costs expenses outgoings and matters mentioned in Part I of the Fourth Schedule hereto. Parts II and III thereof shall be incorporated in this Lease;
 - (ii) The contribution under paragraph (i) of this clause for each year shall be estimated by the Managing Agents for the time being of the Management Company (hereinafter called "the Managing Agents") or (if hone) the Management Company as soon as practicable after the beginning of the year and the Lessee shall pay the estimated contribution to the Management Company by two equal instalments on the Twenty fifth day of March and the Twenty ninth day of September In that year. The estimated contribution for the calendar year One thousand nine hundred and eighty-five shall be the amount mentioned in the Sixth Schedule hereto and the Lessee shall pay an appropriate proportion thereof on a day to day basis for the period from the date hereof to the Thirty first day of December next on the execution hereof; (iii) As soon as reasonably may be after the end of the year One thousand nine hundred and eighty five and every succeeding year when the actual amount of the r said costs expenses outgoings and matters for the year have been ascertained the Lessee shall forth-

with pay the balance due to the Management Company or be credited in the books of the Managing Agents or (if none) the Management Company with any amount overpaid;

(iv) The certificate of the Managing Agents or (at the option of the Management Company) the auditors for the time being of the Management Company as to any amount due to the Management Company or overpaid by the Lessee under paragraph (iii) of this clause shall be final and binding on the parties.

 $\underline{\text{Services 5.}}$ $\underline{\text{THE}}$ Management Company hereby $\underline{\text{COVENANTS}}$ with the

Lessee and as a separate covenant with the Lessors (subject to contribution and payment as hereinbefore provided) as follows:-

- (i) To maintain repair redecorate and renew (a) the roofs and main structure of the building; (b) the boundary walls fences gutters and rainwater pipes of the Development; (c) the gas pipes water tanks and pipes drains and electric and other cables and wires under and upon the Development other than those serving only one flat in the Development; (d) the entrance halls landings and staircases of the building and (e) the grounds and access ways of the Development;
- (ii) As often as reasonably required to decorate the exterior of the building ^heretofore or usually painted or decorated and in particular to paint the exterior parts of the building usual painted (other than as aforesaid) with two coats at least of good quality paint at least every four years;
- (iii) So far as practicable to provide for the lighting of and keeping clean and furnished the entrances entrance

halls landings and staircases of the building (other than any such within any flat in the building) and so far as practicable to keep the parts of the Development not comprised in any of the flats in good order and condition and so far as the Management Company deem appropriate cultivated and lighted; (iv) As often as reasonably required to decorate the parts of the Development referred to in sub-paragraph (i) of this clause heretofore or usually decorated and in particular to paint the same as usually painted with two coats at least of good quality paint at least every five years. (v) To provide such other services as from time to time

the Company shall reasonably deem appropriate.

Insurance

6. THE Management Company HEREBY COVENANTS with the Lessee and as a separate covenant with the Lessors to insure and keep insured the building against loss or damage by fire and such other risks (if any) as the Management Company shall think fit in the full value thereof in the names of the Lessors and the Management Company with the interests of the Lessee and his mortgagee-

(if any) and such others and the Lessors the Management Company or the Lessee should reasonably require noted (such noting being in such form as the insurers shall think fit) with underwriters at Lloyds or in some insurance office of repute and to supply a copy of such policy or policies and of any indorsement affecting the perils insured against and the amount of cover to the Lessee and (if requested by the Lessee) to produce the said policy or policies and adequate evidence of

payment of the latest premium to any person appointed by the Lessor.

AND in the event of the building or any part thereof being damaged or destroyed by fire or other peril insured against as soon as practicable to lay out the insurance moneys in the repair rebuilding or reinstatement of the premises so damaged or destroyed.

AND if for any reason it becomes impossible or impracticable so to rebuild or reinstate then the insurance moneys shall be held in trust for the Lessors the Lessee and such lessees of the other flats and the users of the parking spaces in the Development as may be affected in such proportions as shall be agreed between them and failing agreement as shall be determined by a Chartered Surveyor appointed by the President for the time being of the Royal Institution of Chartered Surveyors on the application of the Lessors the Lessee or any other such lessee which Surveyor acting as an expert (but having regard to representations made to him by or on behalf of any interested party) shall determine the values of the respective interests of the persons entitled to the insurance moneys immediately prior to such destruction or damage. Lessors' Covenants

- J. _____THE Lessors HEREBY COVENANT with the Lessee and as
 to sub-clause (b) as a separate covenant with the Management
 Company as follows :-
 - (a) That the Lessee paying the rent hereby reserved and performing and observing the several covenants conditions and agreements herein contained and on the Lessee's part to be performed and observed shall and may peaceably and quietly hold and enjoy the demised premises during the said term without any lawful interruption or disturbance from or by the Lessors or any person or persons rightfully claiming under

or in trust for them;

- (b) That the Lessors will require every person to whom they shall hereafter grant a lease of any flat comprised in the Development to covenant to observe the restrictions and stipulations set forth in the First Schedule hereto;
- (c) That (if so required by the Lessee) they will enforce the covenants similar to those contained in Clauses 2 and A hereof entered into or to be entered into by the lessees of the other flats comprised in the Development on the Lessee's indemnifying the Lessors against any costs and expenses in respect of such enforcement and providing such security in respect of costs and expenses as the Lessors may reasonably require;
- (d) Until such time as the Cheshire County Council and the Council of the City of Chester shall have given written notice that the whole of the building works have been practically completed to perform and observe the covenants of the Lessee in the Head Lease;

(e) Provided always that any liability of the Lessors under this Lease except under Clause 8 (d) hereof shall cease with regard to any act or omission after the assignment of the Lessors leasehold interest in the Development to the Management Company and shall cease with regard to any act or omission occurring i before the transfer unless proceedings (including arbitration proceedings) in respect thereof shall be instituted within one year from the date of such assignment:

Proviso for re-entry

3. PROVIDED ALWAYS and it is hereby agreed that if the rent hereby reserved or any part thereof shall be unpaid for twenty one days after becoming payable (whether formally demanded or not) or if any covenant on the part of the Lessee herein contained shall not be performed or observed then and in any such case it shall be lawful for the Lessors at any time thereafter to re-enter upon the demised premises or any part thereof in the name of the whole and thereupon this demise shall absolutely determine but without prejudice to any right of action or remedy of the Lessors in respect of any antecedent breach of any of the Lessee's covenants or the conditions herein contained. Definitions

9. IT IS HEREBY DECLARED as follows :-

- (i) That the expressions "Lessors" and "Lessee" where the context so admits include their and his successors in title and that where the Lessee consists of two or more persons all covenants by and with the Lessee shall be deemed to be by and with such persons jointly and severally;
- (ii) That every internal wall separating the Flat from an adjoining part of the building shall be a party wall severed medially;
- (iii) That a flat includes the floor and ceilings of the flat and the internal and external walls of the flat between the same levels except that a flat on the top floor includes the floor of the flat the internal and external walls of the flat above the same level and the roof" of the building so far as it constitutes the roof of the flat;
- (iv) That the word "repair" includes the rectification or making good of any defect in the foundation roof or

structure of the Development notwithstanding that it is inherent or due to the original design of the building;

- (v) That the reference in the Lease to any costs fees charges expenses outgoings or other sums payable or repayable by the Lessee to the Lessors or any other persons shall include any Value Added Tax or other tax of a similar nature payable thereon. Exclusion of general words
- 10. THE implication of the general words under Section 62 of the Law of Property Act 1925 shall not apply to this Lease and no easement right or privilege shall be granted to the Lessee by reason of the fact (if such is the case) that he was tenant or in occupation of any flat in the Development prior to the grant of this Lease. Interest
- 11. ALL sums (whether rent or of any other kind) payable by the Lessee to the Lessors hereunder shall carry interest at the rate of Twelve per cent per annum fourteen days after the same shall become due until payment. Arbitration Clause
- 12. IN the event of any dispute arising between any two or more of the Lessors the Lessee and the lessees of the other flats in the Development out of the provisions of sub-clause (iii) of Clause 4 of this Lease or of Clause 5 thereof or of the Fourth Schedule hereto (or the equivalent provisions of the leases of the other flats in the Development) (including in particular but without prejudice to the generality of the foregoing any question whether any particular item such as is mentioned in the Fourth $_f$ Schedule hereto has been provided to a reasonable standard or at a reasonable cost or whether the incurring of the cost of such an item was reasonable') the same shall

be referred to an arbitrator (who shall not be a member or employee of the Lessors or the managing agents) being a Chartered Surveyor appointed by the Lessors under the provisions of the Arbitration Acts 1950 or any statutory re-enactment or modification thereof for the time being in force. Service of Proceedings

- 13. THE Lessee hereby agrees that all notices served under the lease or for the purpose or in anticipation of proceedings against him by the Lessors or the Management Company may be served upon the Lessee by post addressed to him at the Flat or by delivery thereat (whether the same shall come to his actual knowledge or not) and that for the purpose of proceedings to forfeit the lease the Lessee elects domicile in England at the Flat and agrees that process may be served at the Flat (whether the same shall come to his knowledge or not).
- 14. THE Lessee declares that the survivor of them can give a valid receipt for capital money arising on a disposition of the land.
- 15 WE the Lessors and the Lessee hereby apply to the Chief Land Registrar to enter a restriction to the following effect against the title of the land hereby transferred:-

"Except under an Order of the Registrar no Transfer Sublease or Assent by the Proprietor of the land or his personal representative is to be registered unless a Certificate signed by the Secretary the Solicitor or Director of The Shipgate Management Company Limited has been furnished that such Transfer Sub-lease or Assent does not contravene any of the provisions of the Underlease

of the land in this Title referred to in the Property Register"

IN WITNESS, whereof the Lessors and the Management Company have caused their Common Seals to be hereunto affixed and the Lessee has hereunto set his hand and seal the day and year first above written.

THE FIRST SCHEDULE above referred to

:-Restrictions and Stipulations imposed in respect of the demised premises

It Not to use the Flat nor permit the same to be used for any purpose whatsoever other than as a private dwelling house in the occupation of one family only in one single occupation only nor for any purpose from which a nuisance can arise to the owners lessees and occupiers of the other flats comprised in the Development or in the neighbourhood nor for any illegal or immoral purpose.

- 2. Not to throw dirt rubbish rags or other refuse or permit the same to be thrown into the sinks baths lavatories cisterns or waste or soil pipes in the Flat nor to permit such pipes to become blocked.
- 3. No piano pianola gramophone wireless loudspeaker or mechanical or other musical instrument of any kind shall be played or used nor shall any singing be practised in the Flat so as to cause annoyance to any owner lessee or occupier of any other flat comprised in the Development or so as to be audible outside the Flat between the hours of 11 p.m. and 9 a.m.
- 4. No name writing drawing signboard plate or placard of any kind shall be put on or in any window on the exterior of the Flat or so as to be visible from outside the Flat; all curtains visible from outside the flat shall be lined; no clothes or other articles shall be hung or exposed outside the flat; no flower pot or other like object shall be placed outside the Flat; no mat shall be shaken out of the windows of the Flat; and no animals save for one domestic pet which does not cause annoyance to any owner lessee or occupier of any other flat comprised in the Development shall be kept in the Flat; and no bird dog or other animal shall be kept in the Flat

without the written consent of the Lessors which consent may be revoked at the discretion of the Lessors.

- 5. Not at any time to permit the Flat to become over crowded within the meaning of the Housing Acts or other the relevant statute for the time being in force.
- 6. Not to obstruct or hinder the access of cars to and from the car parking area.
- 7. Not to use the car parking space (if any) for any purposes other than the parking of private vehicles and motor cycles only.
- 8. No vehicle shall be parked or left standing in any part of the Development except in the car parking space allocated to the Lessee (if any).
- 9. No external wireless or television aerial shall be erected.
- 10. Not to obstruct the entrances entrance halls landings and staircases leading to the flats in the Development or to leave any article whatsoever therein or thereon.

THE SECOND SCHEDULE above referred to :-Easements Rights and Privileges included in the Lease

- 1. Full right and liberty for the Lessee and all persons authorised by him (in common with all other persons entitled to the like right) at all times by day or night and for all purposes to go pass and repass through and along the entrances entrance halls landings and stair cases of the building and other common areas of the Development leading to the Flat (but not for the purpose of playing games).
- 2. The right of subjacent and lateral support and to shelter and protection from the other parts of the Development from the site and roofs thereof.
- 3. The free and uninterrupted passage and running of water soil gas and electricity from and to the Flat through the sewers drains and watercourses cables pipes and wires which now are or may at any time within eighty years hereof (which shall be the perpetuity period applicable hereto) be in under or passing through the Development or any part thereof.
- 4. The right for the Lessee with servants workmen and others at all reasonable times on notice (except in the case of emergency) to enter into and upon other parts of the Development for the purpose of repairing cleansing maintaining or renewing any such sewers drains and watercourses cables pipes and wires as aforesaid and of laying down any new sewers drains and watercourses cables pipes and wires causing as little disturbance as possible and making good any damage caused.
- 5. The right for the Lessee with servants workmen and others at all reasonable times on notice (except in the case of emergency) to enter into and upon other parts of the Development for the purpose of repairing maintaining

renewing altering or rebuilding the demised premises or any part of the Development giving subjacent or lateral support shelter or protection to the demised premises.

- 6. The benefit of the restrictions and stipulations contained in the Leases of the other flats comprised in the Development granted or to be granted.
- 7. The right to connect a television set in the Flat with any communal aerial system or systems provided in the building for the time being.
- 8. All the above easements rights and privileges are subject to and conditional upon the Lessee's contributing and paying as provided in Clause 4 (iii) and the Fourth Schedule of and to this Lease.
- 9. The right to use the bin store provided for the use of the flat (if any).

THE THIRD SCHEDULE above referred to : Exceptions and Reservations

There are excepted and reserved out of this demise to the Lessors the Management Company and the owners and lessees of the other flats comprised in the Development.

- 1. Easements rights and privileges over and along and through the.— demised premises equivalent to those set forth in paragraphs 1 2 3 4 and 5 of the Second Schedule to this Lease.
- 2. Power for the Management Company and their surveyors or agents with or without workmen and others at all reasonable times on notice (except in case of emergency) to enter the demised premises for the purpose of carrying out their obligations under Clause 5 of this Lease.
- 3. The right to retain in the Flat any parts of any communal entry-phone and television aerial system or systems of the building and any wires serving the same which are now installed in the Flat and any replacements and renewals thereof.

THE FOURTH SCHEDULE above referred to :-Costs expenses outgoings and matters in respect of which the Lessee is to contribute Part 1

- 1. The costs and expenses incurred by the Management Company in carrying out its obligations under clauses 5 and 6 of this Lease.
- 2. The cost of insurance against third party risks and public liability in respect of the Development to the extent that such insurance shall in fact be taken out by the Management Company.
- 3. The fees and disbursements paid to any managing agents appointed by the Management Company in respect of the Development and in connection with the collection of rents and service charges from the lessees and other users of the flats and parking spaces in the Development.
- 4. The fees and disbursements paid to any accountant solicitor or other professional person in relation to the preparation audit or certification of any accounts of the costs expenses outgoings and matters referred to in this Schedule and the collection of the rents and service charges contributions from the lessees of the flats and parking spaces in the Development.
- 5. Any expenses costs and fees incurred by the Lessors or Management Company under or in relation to Section 136 of and Schedule 19 to the Housing Act 1980 (or any enactment modifying or replacing the same) and any expenses costs or fees incurred by the Management Company or the Lessors under in relation to or otherwise howsoever arising out of the arbitration or contemplated arbitration or any proceedings or contemplated proceedings or dispute between two or more of the Lessors the Management Company the Lessee and a lessee or lessees of other flats in the

Development under any of the provisions of this lease or in consequence of the alleged default of the Lessee (or the equivalent provisions of any lease of any other flat in the Development in consequence of the alleged default of another lessee of such a flat).

- 6. All other expenses (if any) incurred by the Management Company in and about the maintenance and proper and convenient management and running of the Development including in particular any interest paid on any money borrowed by the Management Company to defray any expenses incurred by it and specified in this Schedule.
- 7. Any value added or other tax payable in. respect of any costs expenses outgoings or matters falling within any paragraph of this part of this Schedule.
- 8. All costs and expenses (other than those specified above) of whatsoever kind incurred by the Management Company (including any proper sum for future or contingent liabilities and any reasonable reserve) and a certificate under the hand of the secretary of the Management Company as to the amount under this paragraph at any time shall be conclusive.
- 9. Such sum or sums as shall be estimated by the managing agents or (if none) the Management Company to provide a reserve to meet all some or any of the costs expenses outgoings and matters mentioned in this Part of this Schedule which the managing agents or (if none) the Management Company anticipate will or may arise during the remainder of the term granted by this lease. (The sum or sums under this paragraph and the balance thereof for the time being are hereinafter called "the reserve fund".)

 10. All rates (including water rates) taxes assessments and outgoings payable in respect of the Development (other than the flats).

11. The salaries wages and all other payments (including payments in respect of redundancy and unfair dismissal) and the provision of pensions (if any) paid to or in respect of the employment of any staff employed by the Management Company for the benefit of the lessees of the flats in the Development.

Part 11

- The Management Company shall supply to the Lessee not less frequently than once every year a summary of the costs expenses outgoings and matters mentioned in Part I of this Schedule for the previous year (the first of which accounts shall relate to the year One thousand nine hundred and eighty-five) which summary shall also incorporate statements of the amount (if any) standing to the credit of the Lessee in the reserve fund and of the Lessee's share of the amount of interest (if any) credited to the reserve fund during the year covered by the summary. The reserve fund shall be held by the Management 13. Company in trust for the Lessee and other lessees of flats in the Development to be applied in accordance with paragraph 12 hereof but neither the Lessee nor any other such lessee shall be entitled to be repaid any part there of until this lease or the lease of such other lessee shall expire by effluxion of time or insurance moneys shall become payable to the Lessee or such other lessee pursuant to clause 6 of this lease. On any transfer of this lease the amount standing to the credit of the Lessee at the date of the transfer shall enure for the benefit and credit of the transferee.
- 14. The Management Company may invest the whole or any part of the reserve fund by placing the same in a Bank or Building Society or in the purchase of any United Kingdom Government or municipal stock or any shares in a

Building Society and not otherwise.

Part 111

- 15. The Management Company for the purpose of rendering any repairs services or other amenities referred to (directly or by inference) in this Schedule may employ such person or persons and contract with such persons or persons company or companies as it think fit.
- 16. Subject always to clause 5 of this lease the Management Company may omit add to or vary any of the services or amenities afforded to the Lessee and other lessees of the flats in the building so however that the Management Company shall not be entitled to incur any capital expenditure in relation to any such variation or addition except with the consent of the lessees of not less than ten flats in the building. Any expenditure incurred pursuant to this paragraph shall be deemed to be incurred under paragraph 6 of this Schedule.

HEREBY COVENANT with DESIGN AND CONSTRUCTION (OLIVER)

LIMITED of Vron Yw Llangwfan Clwyd ("the Lessors")

and THE SHIPGATE MANAGEMENT COMPANY LIMITED ("the

Management Company") severally that I and my successors

in title will at all times from the day of

One thousand nine hundred and

duly pay all rent becoming due under the lease of the above

premises dated made

which was transferred to me by the registered proprietor thereof [the personal representative of the registered proprietor thereof or as the case may be] by a transfer of even date and executed contemporaneously herewith and the service charge and all other sums payable thereunder and observe and perform all the covenants restrictions stipulations and conditions therein contained and on the part of the Lessee to be observed and performed (whether running with the lease or of a purely personal or collateral nature) to the same extent as if I were the original lessee party thereto.

AND I ALSO AGREE that all notices served under the Lease or for the purpose or in anticipation of proceedings against me by the Lessors or the Management. Company may be served upon me by post addressed to me at the above-named flat or by delivery at the flat (whether the sane shall come to my knowledge or not) and that for the purposes of proceedings to forfeit the lease I elect domicile in England at the said flat and agree that process may be served at the flat (whether the same shall come to my knowledge or not)

DATED

IN WITNESS