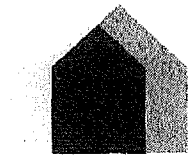


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Residential
Property
TRIBUNAL SERVICE

**LONDON RENT ASSESSMENT PANEL
LEASEHOLD VALUATION TRIBUNAL**

**Case References: LON/00AP/LSC/2010/0216
LON/00AP/LSC/2009/0153**

**DECISION AND REASONS OF THE LONDON LEASEHOLD VALUATION
TRIBUNAL ON AN APPLICATION UNDER THE LANDLORD AND TENANT ACT
1985 (AS AMENDED) SECTION 27A and 20C**

**Property: 10, 11, 24 and 46 Blake Apartments, New River Village, Crouch End,
London N8**

Applicant: New River Village Residents Company Limited (Lease appointed Manager)
Represented by: Ms R. Bailey, of Counsel
Mr A. Asampoh; Solicitor, Lake Jackson, Solicitors
Also Present: Mr A. Rittner, Mr C. Robinson

Respondents: Mr A. Demosthenous (Tenant, Flats 10 and 11,)
Mr D. Chrysanthou (Tenant, Flats 24 and 46)

Represented by: Mr R. Anderson; Disputes Manager, Alexanders Ltd

Hearing 29th and 30th March 2010

The Tribunal:

Mr L. W. G. Robson LLB(Hons) (Chairman)
Mr C. P. Gowman BSc MIEH MCMI,
Mr D. Wills ACIB

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PRELIMINARY MATTERS

1. This case relates to an application made under section 27A of the Landlord and Tenant Act 1985 (as amended) for a determination of the reasonableness of service charges in the service charge years 2004/5, 2005/6, 2006/7, and 2007/8, pursuant to an Order of District Judge Manners in the Clerkenwell and Shoreditch County Court dated 30th September 2009 staying the Applicant's claims 8MY03175/6 pending the decision of the Tribunal relating to Service Charges. The Applicant claims these charges are payable by the Respondents under the terms of a (specimen) lease of the properties dated 17th December 2004 ("the Lease"). The case was heard pursuant to Directions of the Tribunal dated 10th November 2009, following a Pre-Trial Review attended on behalf of all parties.

HEARING

2. At the start of the hearing, Mr Anderson, the Respondents' representative, renewed an application to postpone the hearing due his ill health (Sciatica) first made on 26th March 2010, and also a fall sustained shortly before the hearing on the steps of the Tribunal's offices. Cross-examination in this case was vital, in his view. The barrister who had been engaged to present the case had returned the papers on the previous Wednesday, and no other Counsel could be found in the short time available. The application was opposed by Ms Bailey on behalf of the Applicants, who submitted that although she had every personal sympathy for Mr Anderson, the case did not require extensive advocacy, as the case was made largely through the documents in the bundle. In answer to questions from the Tribunal, Mr Anderson stated that no one else from his office could present the case, and the Respondents themselves had no personal knowledge of the case. He stated that the main issue for his clients was the missing invoices relating to the 2005/6 accounts.
3. The Tribunal adjourned for a short period and considered the application to postpone the hearing. The Tribunal then informed the parties that it had decided to refuse the application. While it had considerable sympathy for Mr Anderson, the Respondents were professional property owners who managed their properties through their own company; Alexanders. The case had been set down for two days, and two professional witnesses for the Applicant were already present. The issues seemed well covered by the papers, and as an expert Tribunal, the Tribunal considered that it could question witnesses rigourously. The Tribunal suggested that Mr Anderson might, if he wished, arrange to instruct Counsel for the second day of the hearing, but the balance of convenience in this case, and the relatively straightforward main issues had led the Tribunal to decide against a postponement.
4. The parties then requested a period of 30 minutes to negotiate on the substantive issues, which was granted. The parties returned and advised the Tribunal that they had negotiated a settlement of the substantive issues by the Respondents agreeing to pay the sum of £12,912.45 (already paid into Court) (together with interest thereon) in settlement of the sum of £14,188.96 agreed due by the parties as at 30th June 2008. There was a query relating to a further sum of £4,000 which the Respondents believed had been paid, but it was agreed that this matter would become clear once the parties'

respective records had been checked. Accordingly the Tribunal decided that the agreed amount of £12,912.45 was a reasonable sum for payment by the Respondents of the service charges in dispute for the years 2004 – 2008.

5. Notwithstanding the agreement on the substantive matters, the parties requested the Tribunal to make decisions on costs and fees under Section 20C, and paragraphs 9 and 10 of the 12th Schedule to the Commonhold and Leasehold Reform Act 2002. Extracts of the relevant legislation are attached as the Appendix to this Decision.

Costs & Fees

6. The Tribunal clarified that it has no power to deal with costs incurred in the County Court action, this remains a matter for the Court itself.
7. At the start of the hearing, the Tribunal had noted some confusion as to who should be paying the hearing fee of £150. No fee had yet been paid. The Respondents had originally made an application to the Tribunal on 27th February 2009 relating to the same subject matter under application number LON/00AP/LSC/2009/0153 prior to transfer of the case by the Court. That application had been stayed at an early stage, and the proceedings now before the Tribunal for decision, although bearing the same number, were the actions stayed by the Court. To prevent confusion, the Tribunal arranged for a separate case number to be issued, LON/00AP/LSC/2010/0216. The Applicant was thus required to pay the hearing fee, and Mr Asampoh gave a solicitor's undertaking to pay the fee to the Tribunal at the earliest opportunity, so that the case could proceed. For clarity, the Tribunal's decisions below will dispose of both cases.

Reimbursement of Fees, and Paragraph 10 Costs

8. Ms Bailey submitted in an extensive oral submission covering both Paragraphs 9 and 10 that the record of events in this case made it clear that the Respondents had attempted to avoid payment over some years. When the Applicants had reissued proceedings in May 2008, which seemed the appropriate time to consider matters, with the accounts history shown, the Applicants had no reasonable alternative to starting proceedings. The Respondents had put forward no independent objection to the service charge demands, but had in fact adopted the objections of another resident, Mr Tobias, the Treasurer of the Residents Association in a case started in the LVT in 2006, acting as a test case relating to the shortage of invoices from the previous managing agent in the service charge year 2006. That case had been settled for a reduction of £195. They had also adopted the views of a Ms Rahic, who had inspected the 2006 accounts and made a number of observations on issues noted there. Only the Respondents had failed to pay, even though offered the same terms. Court proceedings had originally been started in 2005. There had followed a period of discussion, which had lasted until March 2008, when the Court proceedings had been renewed. Both the original and amended defences were very general, essentially anorexic claims that the service charges were excessive, with no details, evidence or alternative proposals. It was only after the proceedings had been renewed that the Respondents had paid anything into court, even though Mr Anderson, on behalf of the Respondents had agreed in a meeting on 10th March 2008

that £16,000 was owed at that time. A great deal of costs had been incurred by the Applicants during the period. Ms Bailey produced a schedule of costs suggesting that costs in excess of £39,000 had been incurred, of which she estimated that more than £15,000 plus disbursements and VAT had been incurred in the Tribunal proceedings. The Respondents had known since an email on 14th March 2008 that some invoices were missing. The reduction achieved by the Respondents in the agreed settlement had been only slightly more per flat than the amount achieved by Mr Tobias. In the Applicant's view, the Respondents had made no genuine attempts to settle prior to today. Their conduct was frivolous.

9. Mr Anderson submitted that his clients were a commercial organisation, making commercial decisions. The Respondents were forced not to pay anything because the landlord would not talk to them. Although the previous LVT case had started in 2006, he had written on 4-5 occasions during that period asking if they could make progress. The Applicants had merely stated that they were taking instructions. They had not known of the previous case. There had been serious problems with the (previous) managing agents. Ms Jahic's letter showed that some invoices were missing, representing a large amount of money. The Applicants had objected to the matter coming to the Tribunal. Much time and cost had been spent on overturning a judgement in the Applicant's favour. The case had been with the Tribunal for five months and had got much further than the County Court proceedings. At the Pre-Trial Review Counsel for the Respondents had stated that he had no instructions on mediation. This was consistent with the previous four years. There was no necessity to be here today. The case could have been settled in November 2009, or 2008, or May 2007 or in 2006, if Mr Anderson had been able to see the accounts. Contrary Ms Bailey's suggestion, he had only discovered today that the 2006 invoices were missing. He had asked for the invoices and had got no reply, apart from the issue of proceedings. His clients had been criticised for not making an offer, but the other side had only been prepared to talk at one meeting. He did not consider that his clients should be criticised for accepting a small reduction. He further submitted that neither Paragraph 9 or Paragraph 10 should be used to discourage genuine disputes. There was a genuine grievance over the service charges, and a genuine desire to resolve it. There was no response from the other side from 2005 until later in 2006. In May 2007 the Applicants cancelled a meeting. He had asked for the invoices in 2008, and had been ignored. This was not the sort of case in which the Tribunal should use its discretionary power.
10. The Tribunal considered the evidence and submissions. The Tribunal considered that there were some inconsistencies in Mr Anderson's evidence. He submitted that the Respondents knew nothing of the previous LVT proceedings and attempts by a representative body of lessees to negotiate a reduction in service charges relating to the period 2005/6. However the Defence dated 15th December 2005 referred to negotiations concerning the amount of Service Charge already proceeding between the Applicants and a body representing the tenants. Also the Tribunal decided that the email exchanges on 14th and 19th March 2008 between the parties made it clear that invoices were missing, contrary to Mr Anderson's submission. The Applicant had been slow in dealing with matters between 2005 and 2008, but had firmly grasped the issues by March 2008.

In March 2008 the Respondents had refused the offer accepted by most of the other lessees relating to poor service by the previous managing agents. They had no major complaints about the standard of services, apart from the management in 2006 They had settled, at the hearing, for a slightly improved offer from the Applicant.

11. Relating to reimbursement of fees under paragraph 9, the Tribunal decided on the balance of the evidence, that at the date of the re-issue of proceedings on 12th May 2008, the Applicant had apparently no reasonable alternative, and thus the Tribunal decided that the Respondents should reimburse the Applicant's fee paid to the Tribunal of £150.
12. Relating to costs payable under Paragraph 10, The Tribunal decided that it would make no order. While the Respondents had been misguided in their conduct of the case, the Tribunal decided that the evidence did not show that they had crossed the high threshold of unreasonableness required by that paragraph.

Section 20C

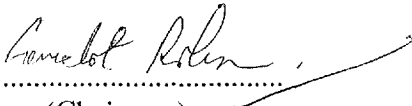
13. Mr Anderson submitted that Section 20C applied whether the charge was a service charge or an administration charge. The Applicant was entitled to recover costs under clauses 11 and 15 of the Lease. Clause 11, particularly 11.1.1. and 11.2.1. set out the service charge items payable. 11.1.4 was important because it made it clear that the express intention of the Lease was that there was to be no residual liability on the Applicant, (the Applicant being a service company controlled by the lessees collectively). Clause 11.1.2 required payment of items mentioned in the 4th Schedule. The collection of arrears was not mentioned in the 4th Schedule. The cost of collection of arrears was dealt with in Clause 15. The charge was payable to the extent the amount was reasonable. The procedures relating to service charges and administration charges were different. A demand for an administration charge had to be accompanied by a summary of the tenant's rights. The papers in the bundle showed no such summary. The Applicant would have to serve a proper notice before being able to claim administration charges. The Applicant had admitted that the legal fees were a service charge item by including them in the service charge accounts. They were administrative charges and so a notice should have been served. It was not. If the Applicant argued they were administration charges it should have been stated in their statement of case. We were referred to the Leasehold Valuation Tribunal case of *Davis v Drayton Park Management Company Limited LON/00AU/LSC/2008/0164, 26th February 2009* on the issue of the interpretation of Administration charges. Mr Anderson submitted that legal fees were clearly an administration charge. The Applicant had claimed that there was no alternative to issuing proceedings. The Respondents' only way to get the Applicant to deal with the matter was by not paying the service charges. The only meeting held was on 10th March 2008. Mr Anderson's email of 19th March 2008 sent after the meeting showed what could be done if the parties were able to talk. The Respondents knew at that stage they had to pay something, but not how much. They were not in a position to make an offer. The burden of proof was on the Applicant relating to the invoices. The Applicant claimed that the invoices did not matter, only the accounts. The managing agents fees should have been removed from the service charge, he submitted. There was

no alternative for the Respondents but to come to the Tribunal. Each side should bear its own costs.

14. Ms Bailey referred to the meeting on 10th March 2008. There, there was agreement that a substantial sum should be paid, but no offer was forthcoming. The Respondents had claimed they had principled objections, but they did not join in with the other lessees. The Applicants had nothing to hide. Ms Jahic had come in to inspect the invoices. The Respondents could have done the same. The financial statements were available, and questions could have been sent to the accountant. The two defences put in were very general and short, with no detail. This was a game to delay payment, she submitted. Whether the charge for legal fees was a service charge or an administrative charge did not matter. It was not necessary for the landlord to classify it in its accounts. If it was not a service charge then it was an administrative charge. Clause 15 of the Lease did not suggest that legal fees should be collectable differently from a service charge account. Davis suggested that it was sufficient if it was included in the landlord's account. The Applicant was not attempting to collect a specific sum now, as the amounts had not yet been finalised, but the parties needed direction on the principle.
15. The Tribunal considered the evidence and submissions. A copy of the Lease is attached to this decision as Appendix 2.
16. The heart of the dispute in 2008 seemed to be the issue of the missing invoices in 2006. It seemed clear to any reasonable observer that Mr Asampoh's email of 14th March 2008 clearly admitted that some invoices were missing. He went on to discuss his view of the effect of missing vouchers, which was commented on in the Respondents' email reply of 19th March 2008. The factual situation should have been clear to the Respondents by 14th March 2008 at the latest. However the Respondents continued to press for inspection of the missing invoices. They appeared to have misled themselves over the issue.
17. The Tribunal considered the effect of the Lease. Clause 11 allowed the landlord to collect service charges. It was a very sweeping clause, particularly clauses 11.1.4 and 11.2.4 which made it clear that all the Applicant's costs should be collected from the lessees. Clause 15 dealt with payments relating to rent, arrears and interest on rent, the costs relating to the tenant's breaches of the Lease, and applications for consents or licences. Clauses 15.2.2 and 15.3.2 are particularly relevant in this application. The Tribunal considered that the legal costs fell under Clause 15 of the Lease. It seemed clear, and neither party appeared to be contending otherwise.
18. The Tribunal agreed with the Davis decision, that in deciding whether any charge was a service charge or a an administration charge, it should look at the terms of the relevant lease and the context of the charge, then consider the extent to which the charge met each statutory definition (i.e. a service charge as defined in Section 18 of the Landlord & Tenant Act 1985, or an administration charge as defined in Schedule 11, Part 1, paragraph 1 of the Commonhold and Leasehold Reform Act 2002). The Tribunal decided that the legal fees in this case fell more clearly to be administration charges,

than service charges. Thus the Tribunal decided that the legal charges were administration charges being demanded under Clause 15 of the Lease

19. Ms Bailey had made it clear in her submissions that the legal fees had not yet been finalised. The Tribunal did not accept Mr Anderson's submission that the Applicants had classified the charges as service charges, with the implication that they were thus uncollectable. As and when the charges were formally demanded, accompanied by the information required by the Administration Charges (Summary of Rights and Obligations) Regulations 2007 (SI 1258), they would be collectable, (subject to any challenge on reasonableness).
20. On the application to limit the landlord's costs under Section 20C, the Tribunal decided that it would make no order. The Respondents had disputed a particular item of charge for some years and as a result withheld all payments. They had misled themselves as to the factual situation in March 2008, and persisted with the dispute, right up until the date of the hearing. The Tribunal decided that the Applicant was entitled to charge its costs under Clause 15 from the date of referral of the matter to the Tribunal (subject to any challenge on reasonableness). Any other costs before or after conclusion of the Tribunal proceedings should be dealt with by the County Court.

Signed: 
 (Chairman)
 Dated: 12th April 2010

Appendix 1

Landlord & Tenant Act 1985 Section 27A

- (1) *An application may be made to a leasehold valuation tribunal for a determination whether a service charge is payable and, if it is, as to*
- a) *the person by whom it is payable*
 - b) *the person to whom it is payable*
 - c) *the amount which is payable*
 - d) *the date at or by which it is payable, and*
 - e) *the manner in which it is payable*
- (2) *Subsection (1) applies whether or not any payment has been made.*
- (3) *An application may also be made to a leasehold valuation tribunal for a determination whether. If costs were incurred for services, repairs, maintenance, improvements, insurance or management of any specified description, a service charge would be payable for the costs and if it would, as to-*
- a) *the person by whom it would be payable*
 - b) *the person to whom it would be payable*

- c) *the amount which would be payable*
- d) *the date at or by which would be payable, and*
- e) *the manner in which it would be payable*

(4) – (7).....

Section 20C

“(1) A tenant may make an application for an order that all or any of the costs incurred, or to be incurred, by the landlord in connection with proceedings before a court, residential property tribunal, or leasehold valuation tribunal, or the Lands Tribunal, or in connection with arbitration proceedings, are not to be regarded as relevant costs to be taken into account in determining the amount of any service charge payable by the tenant or any other person or persons specified in the application.”

(2).....

(3) The court or tribunal to which application is made may make such order on the application as it considers just and equitable in the circumstances.”

Commonhold and Leasehold Reform Act 2002

Schedule 12

Paragraph 9

“(1) Procedure regulations may include provision requiring the payment of fees in respect of an application or transfer of proceedings, or oral hearing by, a leasehold valuation tribunal in a case under-

- (a) The 1985 Act (service charges and appointment of managers)*
- (b) – (e)*

(2) Procedure regulations may empower a leasehold valuation tribunal to require a party to proceedings to reimburse any other party to the proceedings the whole or any part of any fees paid by him

(3) The fees payable fees payable.....shall not exceed-
(a) £500....”

Paragraph 10

“(1) A leasehold valuation tribunal may determine that a party to proceedings shall pay the costs incurred by another party in connection with the proceedings in any circumstances falling within sub-paragraph (2).

(2) The circumstances are where-

(a) *he has made an application to the leasehold valuation tribunal which is dismissed in accordance with regulations made by virtue of paragraph 7, or*

(b) *He has, in the opinion of the leasehold valuation tribunal, acted frivolously, vexatiously, abusively, disruptively or otherwise unreasonably in connection with the proceedings.*

(3) *The amount which a party to proceedings may be ordered to pay in the proceedings by a determination under this paragraph shall not exceed-*

(a) *£500, or*

(b) *.....”*

*Commonhold and Leasehold Reform Act 2002
Schedule 11*

“Meaning of “administration charge”

1. – (1) In this part of this Schedule “administration charge” means an amount payable by a tenant of a dwelling as part of or in addition to the rent which is payable directly or indirectly-

- (a) *for or in connection with the grant of approvals under his lease, or applications for such approvals*
- (b) *for or in connection with the provision of information or documents by or on behalf of the landlord or a person who is party to his lease otherwise than as landlord or tenant*
- (c) *in respect of a failure by the tenant to make payment by the due date to the landlord or a person who is party of his lease otherwise than as landlord or tenant, or*
- (d) *in connection with a breach (or alleged breach) of a covenant or condition in his lease.*

(2) *.....*

(3) *In this part of this Schedule “variable administration charge” means an administration charge payable by a tenant which is neither-*

- (a) *specified in his lease, nor*
- (b) *calculated in accordance with a formula specified in his lease.*

(4) *.....*

Reasonableness of administration charges

2. A variable administration charge is payable only to the extent that the amount of the charge is reasonable

3.

Notice in connection with demands for administration charges

4.- (1) *a demand for the payment of an administration charge must be accompanied by a summary of rights and obligations of tenants of dwellings in relation to administration charges.*

(2) (3) and (4).....

Liability to pay administration charges

5.- (1) *An application may be made to a leasehold valuation tribunal for a determination whether an administration charge is payable and, if it is, as to*

- a) the person by whom it is payable*
- b) the person to whom it is payable*
- c) the amount which is payable*
- d) the date at or by which it is payable, and*
- e) the manner in which it is payable.*

(2) Sub-paragraph (1) applies whether or not any payment has been made.

(3) (4) (5) and (6)..... ”

Appendix 2

Lease dated 17th December 2004 – see attached

DATED

200

ST. JAMES GROUP LIMITED

and

KENNET PROPERTIES LIMITED

and

NEW RIVER VILLAGE RESIDENTS COMPANY LIMITED

and

}

LEASE OF PART

Relating to:
APARTMENT No {},
New River Village, Hornsey

LAYTONS

SOLICITORS

GUILDFORD

•

LONDON

•

MANCHESTER

www.laytons.com

Prescribed Clauses Lease with Right to Park

DATED _____ 200

ST. JAMES GROUP LIMITED

and

KENNET PROPERTIES LIMITED

and

NEW RIVER VILLAGE RESIDENTS COMPANY LIMITED

and

{

COUNTERPART LEASE OF PART

Relating to:
APARTMENT No {},
New River Village, Hornsey

LAYTONS

SOLICITORS

GUILDFORD

•

LONDON

•

MANCHESTER

www.laytons.com

Prescribed Clauses Lease with Right to Park

<p>LR1. Date of lease</p>	
<p>LR2. Title number(s)</p>	<p>LR2.1 Landlord's title number EGL363582</p> <p>LR2.2 Other title number None</p>
<p>LR3. Parties to this lease</p>	<p>Landlord KENNET PROPERTIES LIMITED (Company registration number 2498997) Clearwater Court, Vastern Road, Reading, Berkshire RG1 8DB</p> <p>Tenant { }</p> <p>Other parties ST. JAMES GROUP LIMITED (Company registration number 3190056) Berkeley House, 19 Portsmouth Road, Cobham, Surrey. KT11 1JG – Builder</p> <p>NEW RIVER VILLAGE RESIDENTS COMPANY LIMITED (Company registration number 4732444) Tempus Court, Onslow Street, Guildford, Surrey. GU1 4SS – Management Company</p>
<p>LR4. Property</p>	<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>Apartment { } shown edged red on Plan { } as is more particularly described in Part 1 of the Third Schedule</p>
<p>LR5. Prescribed statements etc.</p>	<p>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.</p>

	<p>None</p> <p>LR5.2 This lease is made under, or by reference to, provisions of: Leasehold Reform Act 1967 Housing Act 1985 Housing Act 1988 Housing Act 1996</p>
LR6. Term for which the Property is leased	<p>From and including To and including OR The term as specified in this lease at clause/schedule/paragraph OR The term is as follows: 999 years from 1st January 2003</p>
LR7. Premium	{ }
LR8. Prohibitions or restrictions on disposing of this lease	This lease contains a provision that prohibits or restricts dispositions.
LR9. Rights of acquisitions 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 None.</p> <p>LR9.2 Tenant's covenant to (or offer to) surrender this lease None.</p> <p>LR9.3 Landlord's contractual rights to acquire this lease None.</p>
LR10. Restrictive covenants given in this lease by the Landlord in respect of land other than the Property	None.

<p>LR11. Easements</p>	<p>LR11.1 Easements granted by this lease for the benefit of the Property</p> <p>The Third Schedule Part 2</p> <p>LR11.2 Easements granted or reserved by this lease over the Property for the benefit of other property</p> <p>The Third Schedule Part 3</p>
<p>LR12. Estate rentcharge burdening the Property</p>	<p>None.</p>
<p>LR13. Application for standard form of restriction</p>	<p>The Parties to this lease apply to enter the following standard form of restriction [against the title of the Property] <i>or</i> [against title number]</p> <p>No disposition of the registered estate other than a charge by the proprietor of the registered estate or by the proprietor of any registered charge is to be registered without a certificate signed on behalf of New River Village Residents Company Limited of Tempus Court, Onslow Street, Guildford, Surrey GU1 4SS by its secretary or conveyancer or managing agent that the provisions of Clause 14 of the Lease dated {} have been complied with</p>
<p>LR.14 Declaration of trust where there is more than one person comprising the Tenant</p>	<p>The Tenant is more than one person. They are to hold the Property on trust for themselves as joint tenants.</p> <p><i>OR</i></p> <p>The Tenant is more than one person. They are to hold the Property on trust for themselves as tenants in common in equal shares.</p> <p><i>OR</i></p> <p>The Tenant is more than one person. They are to hold the Property on trust</p>

Words and expressions

Meanings

"Accessways"

Any area or areas of vehicular accessway on the Estate which form part of the Manager's Land and which provide access from the Roads to the Buildings and/or the Parking Space within the Manager's Land

"Apartments"

The private apartments constructed or to be constructed within the Buildings upon the Estate and where the context so admits or requires those parts of the Buildings containing the apartments and the expression "Apartment" shall be construed accordingly

"Apartments Service Charge"

The total of the expenses incurred in accordance with or as otherwise referred to in Clause 11.1 hereof

"Apartments Service Charge Proportion"

The relevant proportion of the relevant head or heads of the Apartments Service Charge applicable to the Premises set out in the Sixth Schedule hereto but subject to the rights reserved by the Lessor and the Manager in Clause 11.1.5 hereof

"Buildings"

The buildings on the Estate containing Apartments (other than those exclusively designated as Affordable Housing pursuant to the Planning Agreement)

"Certificate"

A statement in such form as the Manager or the Manager's agents deem appropriate signed by the Manager's auditors accountants secretary or

managing agents (at the discretion of the Manager) acting as experts and not as arbitrators annually and as soon after the end of the Manager's Financial Year as may be practicable containing a summary of the expenses and outgoings incurred by the Manager during the Manager's Financial Year to which it relates together with a summary of the relevant details of figures forming the basis of the relevant head or heads of the Apartments Service Charge and the Estate Service Charge

"Common Parts"

The entrances (including any land steps or structure within the Manager's Land providing access to the Buildings) stairways halls corridors lifts and other internal areas providing access to or egress from certain of the Apartments and parking spaces but not forming part of the Apartments and parking spaces

"Community Leisure Centre"

The building situated within the Manager's Land which includes the fitness centre and other leisure facilities

"Cycle Stores"

The areas within the Manager's Land that are allocated from time to time for the storage of bicycles

"Estate"

The Lessor's estate being the land comprised in title number EGL363582 on the 3rd September 1998 subject to variation from time to time by the addition of all or any other land or lands which the Lessor shall at any time within 25 years of the date hereof declare to be part of the Estate and the removal of any land or lands which shall not be developed by the Lessor and the Builder

"Estate Service Charge"

The total of the expenses incurred in accordance with or as otherwise referred to in Clause 11.2 hereof

"Estate Service Charge Proportion"

The proportion of the Estate Service Charge applicable to the Premises set out in the Sixth Schedule hereto but subject to the rights reserved by the Lessor and the Manager in Clause 11.2.5 hereof

"Footpaths"

The footpaths on the Estate forming part of the Manager's Land

"Initial Ground Rent"

Studio £250.00 1 bed £350.00 2 bed £500.00
3 bed £750.00

*Ground rent for units requiring a right to park
but no additional price being paid*

Studio £1,000 1 bed £1,100 2 bed £1,250
3 bed £1,500

"Insured Risks"

Risks in respect of loss or damage by fire lightning explosion aircraft and other aerial devices or articles dropped therefrom mechanical or electrical breakdown earthquake riot and civil commotion and malicious damage storm tempest and flood Acts of God bursting or overflowing of water tanks apparatus or pipes impact by road vehicles subsidence or landslip Architect's Surveyor's and other professional fees and such other risks of insurance as may from time to time be required by the Lessor

"Interest"

The rate of four per cent above the base rate (or such other rate replacing the same by reference to

which Barclays Bank PLC or such other clearing Bank as hereinafter provided determines its rate of interest) of Barclays Bank PLC or such other London clearing Bank as the Lessor or the Manager (as the case may be) may nominate from time to time calculated on a daily basis with half yearly rests

"Lessee"

Includes successors in title in respect of the term hereby granted

"Lessor"

Includes the estate owner or estate owners for the time being of the reversion to the Premises expectant on the determination of the term hereby granted

"Main Structures"

The main structures as defined in the Second Schedule hereto

"Manager's Financial Year"

The period from the 1st day of July in each year to the 30th day of June of the following year or such other annual period as the Manager may in its absolute discretion from time to time determine as being that period in respect of which the accounts of the Manager shall be made up

"Manager's Land"

The area of land within the Estate from time to time provided for the communal use and enjoyment of residents of Apartments on the Estate (but subject to reduction or variation from time to time) together with any other area adjacent to it which is designated from time to time as part of the Manager's Land including (but not limited to) any gate lodge and entrance gates and other security gates and any security cameras and their supports and all boundary walls railings

fences Common Parts Roads Accessways and Footpaths and the car parking areas including the Parking Space and the Cycle Stores within the Estate the Refuse Areas and the Community Leisure Centre and the landscaped areas and other parcels of land (if any) on the Estate that are nominated from time to time by the Builder as being part of the Manager's Land TOGETHER WITH the Transmission Media serving more than one property on the Estate

Check whether purchasing a motorbike space

"Motorbike Space"

The motorbike space within the Manager's Land shown marked {} on Plan {}

"Parking Space"

the parking space(s) within the Manager's Land shown marked as number {} on Plan {}

"Plan 1"

The plan bound up within marked "Deeds Site Plan"

"Plan 2"

The plan bound up within marked "Block {} Deed Plans"

"Plan 3"

The plan bound up within marked "Block E/H Car Park Lower/Upper Parking Level Conveyance Plan"

"Planning Agreement"

An Agreement dated 19th November 2002 pursuant to section 106 Town and Country Planning Act 1990 (as amended) between The Mayor and Burgesses of the London Borough of Haringey (1) Thames Water Utilities Limited (2) the Lessor (3) and the Builder (4)

"Premises" Apartment {} shown edged red on Plan 2 as is more particularly described in Part 1 of the Third Schedule

"Premium" {} POUNDS (£{})

"Refuse Areas" The areas on the Estate that are allocated from time to time for the storage of refuse from the Apartments

"Roads" The area or areas of roadway on the Estate forming part of the Manager's Land

"Service Charge Payment Dates" The 1st July and the 1st January in each year or such other date or dates as the Manager shall decide

"Services" Electricity water soil surface water telephone television and telecommunications as the context shall require

"Transmission Media" The drains sewers pumping station watercourses gutters downpipes water mains or pipes the electric telephone and telecommunication cables wires circuits and conduits and pipes or other cables wires mains or pipes situated or laid or to be situated or laid in through over or under any part or parts of the Estate as the context shall require

1.2. The singular shall include the plural and the masculine shall include the feminine and vice versa and where there are two or more persons designated by the expression "the Lessee" all covenants expressed to be made by the Lessee shall be deemed to be made by such persons jointly and severally

1.3 Save as expressly provided in the provisions of this lease the parties to this lease expressly agree that a person who is not a party to this lease shall not have the right to enforce any term or terms of this lease pursuant to the Contracts (Rights of Third Parties) Act 1999

2. DEMISE

In consideration of the payment of the Premium now paid by the Lessee to the Builder (the receipt of which the Builder hereby acknowledges) and of the rent hereby reserved and of the Lessee's covenants hereinafter set forth THE LESSOR at the direction of the Builder HEREBY DEMISES unto the Lessee with full title guarantee ALL THOSE the Premises together with the rights set forth in Part 2 of the Third Schedule hereto and the non-exclusive benefit of the rights set out in the Property Register of title number EGL363582 so far as they benefit the Premises but SUBJECT TO the non-exclusive rights set out in the Charges Register of title number EGL363582 in so far as they affect the Premises TO HOLD unto the Lessee for the term of nine hundred and ninety nine years from the 1st day of January Two thousand and three YIELDING AND PAYING in respect of the Premises during the said term the annual rents hereinafter mentioned and EXCEPTING AND RESERVING the matters excepted and reserved to the Lessor and the Manager and as set out in Part 3 of the Third Schedule

3. EASEMENTS

The Lessee shall not be entitled to any easements whatsoever over or in respect of the Estate by virtue of the demise to the Lessee of the Premises except such as are expressly mentioned in the Third Schedule hereto

4. VARIATION

The Lessor and the Builder shall have power:-

- 4.1. to vary the layout of the features of the grounds of the Estate from time to time not sold or demised by the Lessor
- 4.2. in writing to licence minor variations of the stipulations and restrictions affecting any lot on the Estate

5. DEVELOPMENT

Nothing herein contained shall subject any other lands of the Lessor or the Builder at or adjoining the Estate to any scheme of development or operate to impose any restriction or control on the development thereof by the Lessor or the Builder

6. RENTS

6.1. The annual rent hereby reserved in respect of the Premises shall be:

6.1.1. for the first fifteen years of the term the Initial Ground Rent

6.1.2. for the second period of fifteen years of the term the greater of the Initial Ground Rent and that sum multiplied by the amount of the Index of Retail Prices published by the Office For National Statistics or any official publication substituted for it ("the said index") on the day preceding the fifteenth anniversary of the commencement of the term divided by the amount of the said index on the commencement of the term

6.1.3. for each successive period of fifteen years of the term until the expiration of the 125th year of the term the greater of the amount of the rent payable during the period of fifteen years immediately preceding the relevant anniversary of commencement of the term on which the rent is being reviewed and that sum multiplied by the amount of the said index on the day preceding the relevant anniversary of the commencement of the term on which the rent is being reviewed divided by the amount of the said index on the day preceding the previous relevant anniversary of the commencement of the term on which the rent was last due to be reviewed pursuant to this clause (to the intent that the rent shall be reviewed every fifteenth anniversary of the date of commencement of the term)

6.1.4. for the 126th year of the term and each successive year of the term until the expiration thereof the amount equal to the rent payable during the 125th year of the term

but so that such rent shall never equal or exceed such a sum as would in appropriate circumstances create an inhibition on the premium capable of being charged on an assignment of the Premises in

the same manner as set out in Section 127 and Schedule 18 Part II of the Rent Act 1977 as amended by Section 78 of the Housing Act 1980 or any amending or similar legislation

6.2. Such rent shall be payable from the date hereof (clear of all deductions whatsoever for taxes charges assessments impositions or outgoings of whatever description) in advance on the 1st day of January in each year the first payment to be made when demanded by the Builder following the transfer of the freehold reversion of the Estate to the Builder or the Builder's nominee (in accordance with a previous agreement made between the Builder and the Lessor) being the proportion of rent from the date hereof to 31st December next following after the date of such demand

7. **PROVISO FOR RE-ENTRY**

It is hereby declared that if there is any breach or non-observance of any of the Lessee's covenants with the Lessor herein contained then it shall be lawful for the Lessor at any time thereafter to re-enter into and upon the Premises or any part thereof in the name of the whole and to have again repossess and enjoy the same as of its former estate

8. **MANAGER'S COVENANTS**

The Manager hereby covenants with the Lessee and the Lessor that it will observe and perform the covenants requirements and stipulations in the Fourth Schedule hereto and will manage and maintain the Public Access Area as defined in the Planning Agreement.

9. **LESSOR'S COVENANTS**

9. The Lessor so as to bind the persons for the time being entitled to the reversion expectant on the term hereby created but not so as to render the Lessor personally liable for any breach arising after having transferred the Lessor's estate and interest in the Estate hereby covenants with the Lessee as follows:-

9.1. that the Lessee observing and performing the covenants and conditions herein contained and on his part to be observed and performed shall and may peaceably and quietly possess and enjoy the Premises during the said term without any lawful interruption from or by the Lessor or anyone claiming title under through or on trust for the Lessor

- 9.2. that every Lease of an Apartment on the Estate (except for leases of Affordable Housing Units (as defined by the Planning Agreement) granted by the Lessor shall contain covenants by the Lessee in the terms of Clauses 13, 14 and 15 of this Lease and covenants by the Manager in the terms of Clause 8
- 9.3. If the Manager is at any time hereafter in breach of its obligations hereunder then the Lessor will at the request of the Lessee comply with observe and perform all covenants entered into by the Manager herein as if the same had been entered into by and with the Lessor whereupon the Lessor shall be entitled to recover from the Lessee and the lessees of the Apartments as rent all monies which would have been payable hereunder to the Manager had those obligations been fulfilled by the Manager including but without prejudice to the generality of the foregoing advance payments of the Apartments Service Charge Proportion and the Estate Service Charge Proportion and shall also be entitled to charge a Management Fee of 20% (inclusive of VAT) of the Apartments Service Charge and the Estate Service Charge exclusive of the Management Fee
- 9.4. At the request of the Lessee and upon the Lessee providing to the Lessor such security for costs as the Lessor may reasonably require the Lessor will enforce on behalf of the Lessee the covenants entered into by the Manager herein for the benefit of the Lessee
- 9.5. At the written request of the Lessee the Lessor will enforce by all means available to the Lessor the covenants entered into and to be entered into by each of the lessees of the Apartments provided that:-
- 9.5.1 the Lessor shall not be required to incur any legal or other costs under this paragraph unless and until such security as the Lessor in its absolute discretion may require shall have been given by the Lessee or mortgagee requesting action
- 9.5.2 the Lessor may in its absolute discretion before taking any action under this paragraph require the Lessee or the person requesting such action at his her or their own expense to obtain for the Lessor from Counsel to be nominated by the Lessor advice in writing as to the merits of any contemplated action in respect of the allegations made and in that event the Lessor shall not be bound to take action unless Counsel advises that action should be taken and is likely to succeed

10. DELEGATION

The Lessor and the Manager shall be entitled to employ and engage or to delegate any of their respective obligations and or powers to such managing agents servants agents managers contractors solicitors surveyors and accountants as they consider necessary or desirable from time to time for the performance of their obligations hereunder or for the exercise of any of their powers contained in the lease of any of the Apartments

11.1 APARTMENTS SERVICE CHARGE

11.1.1 The expression "Apartments Service Charge" shall consist of all expenses incurred by the Manager of and incidental to observing and performing the provisions of the Fourth Schedule Part 1 hereto in relation to the building of which the Premises forms part

11.1.2. The Apartments Service Charge shall include:-

- 11.1.2.1 the management and administration fees of the Manager which relate to the observance and performance of the provisions of the Fourth Schedule Part 1 hereto
- 11.1.2.2 all fees and costs in respect of all certificates and of accounts kept and audits made which relate to the observance and performance of the provisions of the Fourth Schedule Part 1 hereto
- 11.1.2.3 if applicable the proportion of the proper fees of any Managing Agents employed by the Manager which relate to the observance and performance of the provisions of the Fourth Schedule Part 1 hereto
- 11.1.2.4 the cost of employing staff for the performance of the duties and services of the Manager in connection with the observance and performance of the provisions of the Fourth Schedule Part 1 hereto and all other incidental expenditure in relation to such employment including (but without limiting the generality of such provision) advertising costs the payment of the statutory and such other insurance health pension welfare and other payments contributions and premiums industrial training levies redundancy and similar or ancillary payments that the Manager may at its absolute discretion deem desirable or necessary and the provision of

uniforms working clothes tools appliances cleaning and other materials bins receptacles and other equipment for the proper performance of their duties and benefits in kind fares and out of pocket expenses

- 11.1.2.5 the bank charges and the cost of interest and overdrawings in respect of any separate bank account(s) maintained by the Manager for the receipt of the relevant service charge payments and the payment (including payment in advance of the receipt of the appropriate contributions from the lessees of the Apartments) of any monies in pursuance of the Manager's obligations contained in the Fourth Schedule Part 1 hereto
- 11.1.2.6 any Value Added Tax or any other similar taxes levied or charged and paid in respect of the above mentioned heads of expenditure or otherwise in connection with the provision of the services contained in the Fourth Schedule Part 1 hereto
- 11.1.3. The Manager shall be at liberty to review any additional costs and expenses referred to in this part of the Lease and to add thereto any items of expenditure charge depreciation or other allowance or provision for future anticipated expenditure on or replacement of any installation equipment plant or apparatus or the rental value of any part of the Estate used in connection with the provision of the services thereto not previously included therein and from and after the relevant date of such review such additional items of expenditure charge depreciation allowance provision for future anticipated expenditure or value shall be included in the calculation of the Apartments Service Charge and deemed to be included in the heads of expenditure or charge referred to above for all the purposes of this Lease
- 11.1.4. It is expressly agreed that the intention of the Lessor the Manager and the Lessee in relation to the Apartments Service Charge provisions is that all costs expenses and other liabilities which are incurred by the Manager shall be the subject of reimbursement recoupment or indemnity by the lessees of the Apartments so that no residual liability for any such costs expenses or liabilities shall fall upon the Manager
- 11.1.5. If in the opinion of the Lessor or the Manager it should at any time become necessary or equitable to do so by reason of any of the Apartments ceasing to exist or to be habitable or being compulsorily acquired or requisitioned or the number being increased or for any other reason (including any Apartments not having been constructed) the Lessor the

Manager or their surveyor shall calculate the proportion of the Apartments Service Charge payable by the Lessee for such Manager's Financial Year in accordance with the Sixth Schedule taking into account the change in the aggregate net internal floor area of the Apartments on the Estate and in such case for such Manager's Financial Year the proportion notified to the Lessee in respect of the Premises shall be the Apartments Service Charge Proportion payable by the Lessee

11.2 ESTATE SERVICE CHARGE

11.2.1 The expression "Estate Service Charge" shall consist of all expenses incurred by the Manager of and incidental to observing and performing the provisions of the Fourth Schedule Part 2 hereto

11.2.2. The Estate Service Charge shall include:-

11.2.2.1 the proportion of the management and administration fees of the Manager which relate to the observance and performance of the provisions of the Fourth Schedule Part 2 hereto

11.2.2.2 all fees and costs in respect of all certificates and of accounts kept and audits made which relate to the observance and performance of the provisions of Fourth Schedule Part 2 hereto

11.2.2.3 if applicable the proportion of the proper fees of any Managing Agents employed by the Manager which relate to the observance and performance of the provisions of the Fourth Schedule Part 2 hereto

11.2.2.4 the cost of employing staff for the performance of the duties and services of the Manager in connection with the observance and performance of the provisions of the Fourth Schedule Part 2 hereto and all other incidental expenditure in relation to such employment including (but without limiting the generality of such provision) advertising costs the payment of the statutory and such other insurance health pension welfare and other payments contributions and premiums industrial training levies redundancy and similar or ancillary payments that the Manager may at its absolute discretion deem desirable or necessary and the provision of uniforms working clothes tools appliances cleaning and other materials bins

receptacles and other equipment for the proper performance of their duties and benefits in kind fares and out of pocket expenses

- 11.2.2.5 the bank charges and the cost of interest and overdrawings in respect of any separate bank account(s) maintained by the Manager for the receipt of the relevant service charge payments and the payment (including payment in advance of the receipt of the appropriate contributions from the lessees of the Apartments) of any monies in pursuance of the Managers obligations contained in the Fourth Schedule Part 2 hereto
- 11.2.2.6 any Value Added Tax or any other similar taxes levied or charged and paid in respect of the above mentioned heads of expenditure or otherwise in connection with the provision of the services contained in the Fourth Schedule Part 2 hereto
- 11.2.3. The Manager shall be at liberty to review any additional costs and expenses referred to in this part of the Lease and to add thereto any items of expenditure charge depreciation or other allowance or provision for future anticipated expenditure on or replacement of any installation equipment plant or apparatus or the rental value of any part of the Estate used in connection with the provision of the services thereto not previously included therein and from and after the relevant date of such review such additional items of expenditure charge depreciation allowance provision for future anticipated expenditure or value shall be included in the calculation of the Estate Service Charge and deemed to be included in the heads of expenditure or charge referred to above for all the purposes of this Lease
- 11.2.4. It is expressly agreed that the intention of the Lessor the Manager and the Lessee in relation to the Estate Service Charge provisions is that all costs expenses and other liabilities which are incurred by the Manager shall be the subject of reimbursement recoupment or indemnity by the lessees of the Apartments so that no residual liability for any such costs expenses or liabilities shall fall upon the Manager
- 11.2.5. If in the opinion of the Lessor or the Manager it should at any time become necessary or equitable to do so by reason of any of the Apartments ceasing to exist or to be habitable or being compulsorily acquired or requisitioned or the number being increased or for any other reason (including any Apartments not having been constructed) the Lessor the Manager or their surveyor shall calculate the proportion of the Estate Service Charge payable by the Lessee for such Manager's Financial Year in accordance with the Sixth

Schedule taking into account the change in the aggregate net internal floor area of the Apartments on the Estate and in such case for such Manager's Financial Year the proportion notified to the Lessee in respect of the Premises shall be the Estate Service Charge Proportion payable by the Lessee

12 MANAGER'S FINANCIAL STATEMENTS

- 12.1. The amount of the Apartments Service Charge and the Estate Service Charge shall be ascertained and certified by the Certificate
- 12.2. A copy of the Certificate for each Manager's Financial Year shall be supplied by the Manager to the Lessee on written request and without charge to the Lessee
- 12.3. The Certificate shall be conclusive evidence for the purposes hereof of the matters which it purports to certify
- 12.4. As soon as practicable after the signature of the Certificate the Manager shall furnish to the Lessee an account of the Apartments Service Charge Proportion and the Estate Service Charge Proportion payable by the Lessee for the Manager's Financial Year in question due credit being given therein for all interim payments made by the Lessee in respect of the said Manager's Financial Year
- 12.5. Any amount which may have been overpaid by the Lessee in respect of the Apartments Service Charge by way of interim payment shall be credited against the liability of the Lessee to payment of the proportion of the Apartments Service Charge payable by the Lessee for the following year
- 12.6. Any amount which may have been overpaid by the Lessee in respect of the Estate Service Charge by way of interim payment shall be credited against the liability of the Lessee to payment of the proportion of the Estate Service Charge payable by the Lessee for the following year
- 12.7. If the Apartments Service Charge for any Manager's Financial Year exceeds or is likely to exceed the funds held by or on behalf of the Manager in respect of the Apartments Service Charge then the Manager shall make a written request to the Lessee for a further contribution and such request shall state the contributions received from all lessees for

that Manager's Financial Year including the Lessee and will contain a summary of the expenses and outgoings incurred and likely to be incurred by the Manager during the Manager's Financial Year for the Apartments Service Charge and shall state the contribution required from the Lessee which shall be paid by or on behalf of the Lessee to the Manager within 21 days of the date of such written request

- 12.8. If the Estate Service Charge for any Manager's Financial Year exceeds or is likely to exceed the funds held by or on behalf of the Manager in respect of the Estate Service Charge then the Manager shall make a written request to the Lessee for a further contribution and such request shall state the contributions received from all lessees for that Manager's Financial Year including the Lessee and will contain a summary of the expenses and outgoings incurred and likely to be incurred by the Manager during the Manager's Financial Year for that head of Estate Service Charge and shall state the contribution required from the Lessee which shall be paid by or on behalf of the Lessee to the Manager within 21 days of the date of such written request

13. **ESTATE REGULATIONS**

The Lessee hereby covenants with the Lessor and the Manager and as separate covenants severally with all other persons claiming under the Lessor as purchasers and/or lessees of any part or parts of the Estate but not so as to render the Lessee personally liable for any breach arising after the Lessee has disposed of all interest in the Premises to the intent that the burden of this covenant shall run with and bind the Premises and every part thereof and to the intent that the benefit thereof may be annexed to and devolve with each and every part of the Estate other than the Premises to observe and perform the stipulations and restrictions contained in Clauses 14 and 15 and the First Schedule hereto so far as the same relate to the Premises

14. **DEVOLUTION OF LEASE**

The Lessee further covenants with the Lessor and as a separate covenant with the Manager:-

- 14.1. Not at any time to assign or transfer the whole of the Premises comprised in this lease unless prior to or contemporaneously with the assignment or transfer the Lessee procures that the party to whom the Premises is to be transferred or let as the case may be applies for membership of the Manager

14.2. That prior to any assignment transfer assent or other deed disposing of the whole of the Premises the Lessee shall require the assignee transferee or disponee to enter into a Deed of Covenant with the Manager in the form set out in the Fifth Schedule hereto and to give effect to this covenant the Lessee hereby covenants with the Manager and the Lessor that on the first registration of this Lease the Lessee will apply to the Chief Land Registrar for the following restrictions to be entered on the Register of the title to this Lease:-

"No disposition of the registered estate (other than a charge) by the proprietor of the registered estate or by the proprietor of any registered charge is to be registered without a certificate signed on behalf of New River Village Residents Company Limited of Tempus Court, Onslow Street, Guildford, Surrey. GU1 4SS by its secretary or conveyancer or managing agent that the provisions of Clause 14 of the Registered Lease have been complied with"

and such certificate shall not be unreasonably withheld as the Manager hereby acknowledges and agrees

14.3. Not to assign underlet or part with the possession of part only of the Premises

14.4. To give to the Lessor and the Manager notice of every dealing with or underletting or transmission of the legal estate in the Premises including all mortgages or legal charges of the Premises within twenty one days after the same shall occur and to pay to each of the Lessor and the Manager during the first five years of the term a registration fee of twenty five pounds plus VAT in respect of any such notice and thereafter to pay such reasonable registration fee as the Lessor and the Manager or their respective agents shall from time to time determine throughout the remainder of the term and to pay to the Manager the reasonable costs incurred by the Manager in carrying out its obligations under Paragraph 10 of Part 1 of the Fourth Schedule and Paragraph 9 of Part 2 of the Fourth Schedule respectively and registering all notices of legal charges herein together with in each case any Value Added Tax or similar tax which may be levied thereon

15. PAYMENTS

15.1. The Lessee hereby covenants with the Lessor and as separate covenants severally with the lessees of the other Apartments to pay on demand to or to the order of the Lessor without any deductions the following amounts:-

- 15.1.1 the rent hereby reserved at the times and in the manner aforesaid (but subject to the provisions of clause 6.2 in relation to the first payment of rent)
- 15.1.2 Interest on all rent which is in arrears and unpaid for more than twenty one days after the same shall become due and payable hereunder whether formally demanded or not
- 15.1.3 all the costs and expenses that the Lessor may incur by reason of any breach of the Lessee's covenants in this Lease whether or not proceedings are commenced in the court or any appropriate tribunal and in particular but without prejudice to the generality of the foregoing to pay the costs and expenses (including solicitor's costs and surveyor's fees) incurred by the Lessor in connection with any notice served under Section 146 or 147 of the Law of Property Act 1925 notwithstanding that forfeiture is avoided otherwise than by relief granted by the Court
- 15.1.4 The costs (including any surveyor's fees) incurred by the Lessor on any application to it by the Lessee for any licence or consent in connection with this Lease and for preparing any such licence or consent whether or not the same shall be taken by the Lessee
- 15.2. The Lessee hereby covenants with the Manager and as separate covenants severally with the lessees of the other Apartments to pay on demand to or to the order of the Manager without any deductions the following amounts:-
- 15.2.1 such sum as is demanded by the Manager on account of the Estate Service Charge Proportion or thereafter by half yearly instalments in advance on the Service Charge Payment Dates or otherwise within 21 days of the date of any demand made by or on behalf of the Manager
- 15.2.2 All expenses the Manager may incur in collecting arrears of the Estate Service Charge Proportion payable by the Lessee (together with Interest thereon and on all Estate Service Charge Proportion which is in arrears and unpaid for more than twenty one days after the same shall become due and payable hereunder) or enforcing any obligation of the Lessee whether or not proceedings are taken and whatever the outcome of any such proceedings

15.3. The Lessee hereby covenants with the Manager and as separate covenants severally with the lessees of the other Apartments to pay on demand to or to the order of the Manager without any deductions the following amounts:-

15.3.1 such sum as is demanded by the Manager on account of the Apartments Service Charge Proportion or thereafter by half yearly instalments in advance on the Service Charge Payment Dates or otherwise within 21 days of the date of any demand made by or on behalf of the Manager

15.3.2 all expenses the Manager may incur in collecting arrears of the Apartments Service Charge Proportion payable by the Lessee (together with Interest thereon and on all Apartments Service Charge Proportion which is in arrears and unpaid for more than twenty one days after the same shall become due and payable hereunder) or enforcing any obligation of the Lessee whether or not proceedings are taken and whatever the outcome of any such proceedings

16 **MANAGER**

The Lessee shall by virtue of the grant or assignment of this lease to the Lessee be deemed to have applied to become a member of the Manager

17. **BUILDERS COVENANT**

The Builder hereby covenants with the Lessee as follows:-

17.1 to pay the Estate Service Charge Proportion (but only in relation to expenditure actually incurred by the Manager but expressly excluding any contribution towards future periodic or anticipated future expenditure) in respect of Apartments within the Estate as are intended to be let by the Lessor on leases or transferred by the Lessor (as Transferor) under transfers containing similar provisions for the payment of a proportion of the Estate Service Charge to those herein contained from the date the relevant Apartment is in all respects ready for occupation until the sale of such property is completed

17.2 to pay the Apartments Service Charge Proportion (but only in relation to expenditure actually incurred by the Manager but expressly excluding any contribution towards future

periodic or anticipated future expenditure) in respect of Apartments within the Buildings as are intended to be let by the Lessor on leases containing similar provisions for the payment of a proportion of the Apartments Service Charge to those herein contained from the date the relevant Apartment is in all respects ready for occupation until the sale of such property is completed

THE FIRST SCHEDULE

above referred to

Covenants by the Lessee

1. Not to do or permit or suffer anything to be done in or upon the Premises or any part thereof which may be or become a nuisance or annoyance or cause damage or inconvenience to the Lessor or the lessees or occupiers of other properties on the Estate nor may the Premises be used for any immoral illegal or unlawful purpose
2. Not to do or permit or suffer to be done anything whereby the Lessor's or the Manager's policy or policies of insurance on the Estate or any part or parts thereof may become void or voidable or whereby the premium thereon may be increased and to repay to the Lessor or as the case may be to the Manager all sums paid by way of increased premiums and all expenses incurred by it in or about any renewal of such policy or policies rendered necessary by a breach of this covenant and to notify the Lessor or the Manager as the case may be as soon as possible of any event which is likely to lead to a claim on the Lessor's or the Manager's insurance(s)
3. Not to use the Parking Space for any purpose other than the parking of private motor vehicles having a current road fund licence
4. Not to obstruct or block or permit or suffer to be obstructed or blocked wholly or partially in any way whatsoever any part of the Roads Accessways or Footpaths
5. Not to block or obstruct or allow to be blocked or obstructed all or any part of the Common Parts
6. Not to deposit or permit or suffer to be deposited on any part of the Estate (except in any areas designated within the Manager's Land as Refuse Areas) any rubbish or refuse of any kind and not to use the said Refuse Areas for any purpose other than for the placing of

domestic rubbish contained within a sealed refuse disposal bag or other similar sealed container

7. Not to do or suffer to be done anything on or to the Premises which may prejudice weaken or endanger the Premises or the Main Structures in any way whatsoever and not without the previous consent of the Manager to place or keep or permit to be placed or kept in or on the Premises or any part thereof any heavy article in such position or in such quantity or weight or otherwise in such manner howsoever as to overload or damage or to be in the opinion of the Manager likely to overload or damage the Buildings or any part thereof nor to use any part of the Premises in such manner as to subject them to any strains beyond that which they are designed to bear
8. No part of the Premises shall be used or be permitted to be used for any purpose save that of a single private dwelling
9. No placard or nameplate other than the name or number of the Premises (which in any event shall be of such type and in such position as the Manager in its absolute discretion shall determine) shall be placed or allowed on any part of the Buildings
10. No television or other aerial or satellite dish other than any communal systems shall be erected or kept on the outside of the Premises
11. Not to allow any petrol or oil to escape or drain into any of the pipes sewers or drains laid in on over or under the Estate or any part thereof nor to keep or allow to be kept on the Premises any flammable explosive noxious or dangerous substances of any kind
12. No person may reside in the Premises unless the floor is covered with suitable materials equal and equivalent to the specifications set out in the Seventh Schedule hereto, which must not penetrate the main floor structure or compromise the inherent acoustic performance of the main floor structure in any way, except that they may be removed for cleaning, repairing, decorating or for some similar temporary purpose
13. No rags dirt rubbish refuse or other substances shall be inserted into or placed or left in the sinks baths lavatories cisterns or any pipes in the Premises nor shall any blockage or obstruction be caused therein in any other manner whatsoever

14. Not to hang out or place washing or other articles on the outside of the Premises
15. Not to throw or allow to be thrown any rubbish or refuse or anything whatsoever out of any window or opening in the Premises
16. No bird animal or reptile shall be kept in the Premises without the written permission of the Manager which if given shall be deemed to be by way of licence revocable by the Manager at will
17. Not to cut maim alter or injure any of Main Structures the Buildings or the principal walls floors ceilings structures timbers iron or stucco work of or on the Premises nor to alter amend or add to the internal layout and design of the Premises or any part thereof without the prior consent of the Lessor and the Manager (such consent not to be unreasonably withheld) and then only upon payment of their proper fees and expenses so incurred including those of their professional and other advisers
18. Not to make or permit or suffer to be made any claim or objection in respect of any works of construction building installation alteration addition or repair carried out on the Estate or upon any land or property of the Lessor or in which the Lessor has an interest adjoining or near thereto by the Lessor or by any persons authorised by it provided always that any such works shall be carried out with as little inconvenience to the Lessee as reasonably practicable
19. Immediately upon receipt thereof to deliver to the Lessor and to the Manager copies of all notices received from the Local Authority or any other corporation authority body or persons affecting the Premises
20. From time to time and at all times during the term hereby granted (whether the Lessor or the Manager shall or shall not have served notice requiring the Lessee so to do) and utilising best quality materials of their various kinds and in good and workmanlike manner well and substantially to repair the Premises and all improvements and additions thereto or replacements thereof and also all landlord's fixtures and fittings which may at any time during the term be fixed or fastened to the Premises or to any part thereof (including but without prejudice to the generality of the foregoing the space and water heating equipment and installations exclusively serving the Premises and the Transmission Media comprised in and used exclusively for the benefit of the Premises and appurtenances thereof) damage

to the Premises by any of the Insured Risks excepted unless and to the extent that such policy or policies of insurance shall have been vitiated or been rendered void or voidable or payment of the policy monies been refused or withheld in consequence of any act or default on the part of the Lessee and to be responsible in all respects for all damage caused to the Premises or to other parts of the Estate or to the Lessor or the lessees of the Apartments and/or to the Manager through the bursting overflowing or stopping-up of such Transmission Media occasioned by or through neglect of the Lessee its servants or agents (damage by the Insured Risks excepted so far and so long as aforesaid) and peaceably to deliver up the Premises to the Lessor in such repair and condition at the expiration or sooner determination of the said term

21. To keep the glass in the windows of the Premises properly repaired and the windows cleansed and in the seventh year of the said term and in every seventh year thereafter and in the last year of the said term howsoever determined fully effectively and efficiently redecorate in a good and workmanlike manner all parts of the inside of the Premises to at least the standard pertaining at the date hereof or (at the option of the Lessor) to the standard pertaining to new residential accommodation of equivalent value at the determination of the said term
22. To maintain any garden forming part of the Premises to a standard of cultivation appropriate to the character of the Estate
23. To permit the Lessor and the Manager or their respective servants or agents with or without workmen and others during the said term at all reasonable times on giving not less than forty eight hours notice to the Lessee (except in case of emergency) to enter the Premises for:-
 - 23.1. the purposes of viewing (and to open up floors and ceilings where the same is required in order to view) the condition or user thereof or for inspecting any works in progress or for taking inventories of the fixtures and things to be surrendered at the expiry of this Lease and upon written notice by the Lessor or the Manager to execute any repairs including the making good of the said opening-up if any (provided that any such opening-up shall be made good and at the cost of the Lessor where the same reveals no breaches of the terms hereof lawfully required by such notice in respect of matters for which the Lessee is liable under the provisions hereof) and if the Lessee shall not have commenced to

execute such repairs within two months of the date of service upon it of such notice (or if in the opinion of the Lessor or the Manager there is some greater urgency then within such lesser period as may be practicable but in any event without any delay whatever) the Lessor or the Manager may itself execute such repairs and the costs incurred or to be incurred by it in so doing including any architects surveyors' and legal fees (as certified by the Lessor's or as appropriate the Manager's surveyor) shall be a debt recoverable from the Lessee to the Lessor or the Manager as the case may be and shall be forthwith recoverable by action and the Lessee shall from the date of demand until the date of bank clearance of such payment of the said cost pay Interest thereon and the Lessee hereby irrevocably appoints the Lessor and the Manager respectively to be the agent of the Lessee throughout the term for the purpose of entering upon inspecting and viewing the condition of any parts of the Premises not at the time of such inspection in the occupation of the Lessee

- 23.2. the purpose of ascertaining that the covenants and conditions of this Lease have been observed and performed
- 23.3. to effect any works necessary for repairing maintaining and upholding the Buildings or the Main Structures
- 23.4. for any other lawful purpose
24. To execute such works as are or may be under or in pursuance of legislation in force at any time during the said term directed or required to be executed upon or in respect of the Premises (and whether by the Lessor or the Lessee thereof)
25. In the case of any assignment sublease underletting or disposition to a person or company not ordinarily resident in England or Wales to supply to the Lessor and the Manager an address for service of notices and proceedings in England other than the Premises which address shall thereafter be deemed the address for service in England of that non-resident until the Lessor and the Manager have received written notice of an alternative address other than the Premises for service in England
26. To co-operate at all times during the said term with the Manager and with the persons interested in the other Apartments and premises below above or adjacent to the Premises

in all measures necessary for repairing maintaining and upholding the Buildings and forthwith to comply with any directions given by the Surveyor to the Lessor or the Manager specifying works which are in his opinion necessary for the purposes mentioned in this paragraph

27. In the event of the Lessee not being resident in the Premises for a continuous period in excess of three calendar months to notify the Manager or its managing agents in writing of the name and address of a suitable agent being a surveyor solicitor accountant or other person responsible for the compliance on behalf of the Lessee with the Lessee's covenants contained in this Lease
28. To permit the Lessor at any time or times during the term to erect rebuild or alter the Buildings or any buildings or erections within the Estate or adjoining thereto to any extent and in any manner the Lessor may think fit notwithstanding that the building so erected rebuilt or altered may obstruct or interfere with the access of light or air for the time being to or enjoyed with the Premises or any part thereof or any building for the time being on the site thereof
29. To pay all taxes rates charges impositions and outgoings of every description which now are or may hereafter during the said term be imposed assessed or made payable upon or in respect of the Premises or any fraction thereof upon the Lessor the Manager or the Lessee in respect thereof
30. To observe and perform the covenants contained or referred to in the Property and Charges Register of the title above mentioned so far as the same are still subsisting and capable of being enforced and to indemnify the lessor against all claims actions proceedings costs damages expenses and demands in respect of any breach non-performance or non-observance thereof
31. To observe the regulations from time to time made by the Manager to regulate the use of the Manager's Land (including but without prejudice to the generality of this provision the Community Leisure Centre)
32. Not at any time in relation to any terrace or balcony within the Premises to allow the balcony or terrace to become unkempt but to maintain the same in a good and neat order

Delete if not purchasing a motorbike

33. Not to use the Motorbike Space for any purpose other than the parking of private motorbikes

THE SECOND SCHEDULE

above referred to

"The Main Structures"

1. The exterior walls and the foundations roofs and meter cupboards of the Buildings and the other buildings on the Estate containing Apartments the internal load bearing walls and the floor and ceiling joists beams or slabs of all the Apartments including the structural element of any balconies
2. The Common Parts and the windows window frames glass in the windows doors doorframes plaster on the ceilings and walls of the Common Parts and
3. The Transmission Media of every kind which is common to more than one Apartment and/or the Common Parts or exclusive to the Common Parts and
4. The parking spaces (including the Parking Space) within the Manager's Land and
5. All other parts of the Buildings and the other buildings on the Estate containing Apartments which do not form part of Apartments demised or intended to be demised to individual Lessees

THE THIRD SCHEDULE

above referred to

Part 1 The Premises

1. Each Apartment shall comprise the tiling and floor coverings on the floors the upper surface of the flooring of any balcony the airspace above the flooring of any balcony up to the underside of the structure above the said balcony the windows window frames glass in the windows all doors doorframes plaster on the ceilings and walls and all Transmission Media and any installations of whatsoever kind solely serving the Premises but (save for the airspace within any balcony as aforesaid) excepting the airspace and strata above and below the Premises and those parts of the Main Structures which surround lie within and/or support the Apartment and the

structural element of any balcony and in respect of those Apartments on the top floor of the Buildings the roof space directly above those Apartments

THE THIRD SCHEDULE

above referred to

Part 2 Rights Granted to the Lessee

by the Manager and the Lessor

1. The full and free right (in common with the Lessor and the Manager and all other persons entitled thereto and all persons to whom the Lessor or the Manager or either of them have granted or may hereafter grant the same or similar rights and so far as the Lessor and the Manager have power to grant the same) for the Lessee to pass and repass with or without vehicles over and along the Roads and the Accessways and on foot over and along the Footpaths but only so far as may be necessary for the purposes of access and egress to and from the Premises and the Parking Space to the public highway **BUT RESERVING NEVERTHELESS** to the Lessor the right to deviate alter or stop up any projected road or footpath on or serving any part of the Estate so far as the same shall not be in actual use as an access to the Premises from the public highway **PROVIDED THAT** such right shall not be capable of being exercised in such manner as deprives the Lessee of suitable access to and egress from the Premises unless such deprivation shall be purely temporary to enable building construction or other works to be carried out.
2. The right in common as aforesaid to connect to and thereafter to enjoy the full and free and uninterrupted passage and running of the Services across the Estate from and to the Premises through the Transmission Media
3. The right to enter upon the adjoining parts of the Estate including neighbouring Apartments and parking spaces where necessary at all reasonable times in the daytime upon first giving notice to the Lessor or the Manager (as the case may be) and the lessee or owner thereof or at any time in an emergency for the purpose of executing repairs alterations and renewals to or for cleansing and decorating the Premises and also for the purpose of executing repairs alterations and renewals to the Transmission Media the Lessee making good all damage occasioned by the exercise of such rights to the reasonable satisfaction of the Lessor and the Manager and the lessee or owner of such adjoining apartments or parking spaces

4. The right in common as aforesaid to connect to any master television system aerials and repeaters and cables or entry and automatic door lock systems serving the Apartment at the point provided within the Premises
5. The right in common as aforesaid of support shelter protection and cover from the Main Structures and the other Apartments included in the Estate subjacent or adjacent to the Premises or any part thereof
6. The right in common as aforesaid to use the areas within the Manager's Land designated as Refuse Areas for the placing therein of domestic refuse suitably contained in sealed refuse sacks or other sealed containers only provided that the Lessor shall be entitled to substitute therefore a right to use an alternative refuse area designated by the Lessor
7. The right in common as aforesaid to pass and repass on foot for the purposes of access and egress to and from the Premises the Refuse Areas the Cycle Stores and the Parking Space over and along such part of the Common Parts as are capable of providing access to and from the Premises the Refuse Areas the Cycle Stores and the Parking Space
8. The exclusive right to use the Parking Space for the parking of private motor vehicles only
9. The right (in common with all others entitled thereto) to use and enjoy for quiet relaxation those parts of the Manager's Land designed for such use and enjoyment
10. The right (in common with all others entitled thereto and subject to and in accordance with the regulations from time to time made by the Manager to regulate the use thereof) to use and enjoy for quiet relaxation those parts of the Community Leisure Centre within the Manager's Land designed for and from time to time made available for such use and enjoyment
11. The right in common as aforesaid (and subject to their being space available therein) to use the Cycle Stores for the storage of bicycles only provided that the Lessor shall be entitled to substitute therefore a right to use an alternative area for the storage of bicycles designated by the Lessor

Delete if no motorbike purchased

12. The exclusive right to use the Motorbike Space for the parking of private motorbikes only

THE THIRD SCHEDULE

above referred to

Part 3 Rights Reserved

To the Lessor and the Manager

There is excepted and reserved to the Lessor and the Manager:-

1. The right to lay and maintain in the Premises and thereafter to connect to such of the Transmission Media as may in the absolute discretion of the Lessor or as the context shall require the Manager seem necessary or desirable and to use the same for the purpose for which they are designed or intended
2. The right including the right for lessees of adjoining Apartments to enter upon the Premises including the Parking Space or any part thereof at all reasonable times in the daytime upon first giving notice to the Lessee or occupier thereof or at any time in an emergency for the purpose of executing repairs alterations and renewals to or for cleansing and decorating the neighbouring adjacent or adjoining Apartments or any part of the Buildings or Main Structures and also for the purpose of executing repairs alterations and renewals to the Transmission Media the person or persons exercising such right making good all damage occasioned by the exercise thereof to the reasonable satisfaction of the Lessee
3. The right of the other parts of the Buildings or the Main Structures or any other part of the Estate as the case may be to support shelter protection and cover by and from the Premises
4. Such other rights and liberties as may be necessary or desirable so as to enable the Lessor or as the context shall require the Manager to observe perform or otherwise carry out their respective obligations contained in the leases of the Apartments and in the Memorandum and Articles of Association of the Manager

THE FOURTH SCHEDULE

above referred to

Part 1

Apartments Service Charge Covenants by the Manager

The Manager will:-

1. Keep the Premises properly supported sheltered covered and protected by the Main Structures
2. Keep the Main Structures properly repaired supported reconstructed maintained and cleansed
3. Pay all existing and future rates taxes assessments insurance premiums and outgoings now or hereafter imposed on or payable in respect of the Buildings including but without prejudice to the generality of the foregoing all accounts for private service organisations and companies and all electricity accounts and all other like service accounts save those relating solely to one Apartment
4. To pay all costs for any communal supply of electricity and water to the Buildings (if any) and to maintain any such communal supply and the distribution pipes or wires within the Buildings so as to ensure that each Apartment has the ability to receive such a supply
5. Keep in good and substantial repair and condition and wherever necessary to re-build and reinstate the Transmission Media serving the Buildings or any part thereof except such as are maintained at the public expense or for the sole supply to one Apartment
6. If and when such a system is installed purchase rent lease operate maintain repair and replace any telephone security and communications systems (including insofar as provided or available audio visual installations including gates security entry systems and television and radio systems) or any other plant machinery or equipment that the Manager should deem requisite
7. In the year Two thousand and seven and thereafter in every subsequent fourth year fully effectively and efficiently redecorate in a good and workmanlike manner such part or parts of the exterior of the Main Structures and Apartments as shall have previously been decorated and such other parts of the Main Structures and Apartments as the Manager

considers should be decorated including if appropriate the outside of the window frames if necessary of the Apartments such painting being carried out in a good and workmanlike manner

8. In the year Two thousand and seven and thereafter in every subsequent fourth year fully effectively and efficiently redecorate in a good and workmanlike manner such part or parts of the Common Parts as shall have previously been decorated the decoration being of a good quality and not inferior to that previously used on the parts so decorated
9. Make and enforce such regulations (if any) as it may in its absolute discretion consider necessary and desirable to enable all residents of the Apartments on the Estate to enjoy the Apartments and the Common Parts serving them and any parts of the Manager's Land intended solely for use by owners of the Apartments or to otherwise comply with the regulations and requirements of the Local Authority
10. Within 21 days of the production to it of a duly executed and stamped (if necessary) Deed of Covenant complying with the provisions of Clause 14 of this Lease and provided that there shall not be due to the Manager any monies covenanted to be paid in accordance with this Lease whether by the person producing the Deed of Covenant or any predecessor in title at the cost of the Lessee give a certificate in accordance with the provisions of that Clause
11. At the written request of the Lessee enforce by all means available to the Manager the covenants entered into and to be entered into by each of the lessees of the Apartments provided that:-
 - 11.1. the Manager shall not be required to incur any legal or other costs under this paragraph unless and until such security as the Manager in its absolute discretion may require shall have been given by the lessee or mortgagee requesting action
 - 11.2. the Manager may in its absolute discretion before taking any action under this paragraph require the Lessee or the person requesting such action at his her or their own expense to obtain for the Manager from Counsel to be nominated by the Manager advice in writing as to the merits of any contemplated action in respect of the allegations made and in that event the Manager shall not be bound to take action unless Counsel advises that action should be taken and is likely to succeed

12. To prepare proper books of accounts of all costs charges and expenses incurred by it in carrying out its obligations under this part of this Schedule
13. To do all things necessary to comply with the obligations contained in or otherwise referred to in the Memorandum and Articles of Association of the Manager including the creation of such reserves as the Manager may deem prudent from time to time and the paying of all interest or other financial charges which may be incurred on any monies borrowed for the purposes of any of the Manager's obligations herein or the observance or performance of any of its covenants herein and all fees and costs incurred in respect of all Certificates and accounts kept and audits made in pursuance of its obligations under this Lease
14. To take all steps deemed desirable or expedient by the Manager for complying with making representations against or otherwise contesting the incidence of the provisions of any legislation or orders or statutory requirements thereunder concerning town planning public health highways streets drainage or other matters relating or alleged to relate to the Buildings or any part or parts thereof for which the Lessee is not directly liable hereunder and for which the owners of the other Apartments are not liable under the leases under which they own their respective properties
15. Keep all the Apartments (including the Premises and the whole of the Buildings) on the Estate insured through such agency and insurance company as may be nominated by the Lessor from time to time in the full reinstatement value from loss or damage by the Insured Risks and against third party risks and Property Owners' liability as shall from time to time be appropriate and third party claims boilers and heating apparatus (if any) and the cost of valuing the Premises for such insurance purposes and will produce to the Lessee upon receipt of a written request so to do written details of the policy or policies of such insurance and a copy of the receipt for the last premium for the same and if the Buildings or any part of it is destroyed or damaged by the occurrence of any of the Insured Risks the Manager will with all convenient speed apply all insurance monies received in repairing and rebuilding or reinstating the part or parts of the Buildings so destroyed or damaged

THE FOURTH SCHEDULE

above referred to

Part 2

Estate Service Charge Covenants by the Manager

The Manager will:-

1. Pay all existing and future rates taxes assessments insurance premiums and outgoings now or hereafter imposed on or payable in respect of the Manager's Land including but without prejudice to the generality of the foregoing all accounts for private service organisations and companies and all electricity accounts and all other like service accounts
2. Keep in good and substantial repair and condition and wherever necessary to re-build and reinstate the Transmission Media serving the Estate or any part thereof except such as are maintained at the public expense or for the sole supply to a property on the Estate
3. Keep clean and tidy and in a proper state of repair and properly lit and replacing and reinstating when necessary the Roads and Footpaths (including any lighting systems installed within the Roads and Footpaths)
4. Keep clean and tidy and in a proper state of repair and replacing and reinstating when necessary the Accessways the Refuse Areas and all parking spaces on the Estate that are allocated to Apartments or otherwise within the Manager's Land including the Parking Space within the Manager's Land
5. Keep all planters landscaped areas open space areas grassed areas and any gardens on the Manager's Land (including any land within the Estate that the Lessor nominates from time to time as being part of the Manager's Land) in a proper state of cultivation and in such a condition as to be suitable to the general character of the Estate
6. Repair and maintain replacing and reinstating where necessary any walls and fences on the Estate within or abutting the Manager's Land
7. Keep the Manager's Land insured through such agency and insurance company as may be nominated by the Lessor from time to time in the full reinstatement value from loss or damage by the Insured Risks and against third party risks and Property Owners' liability as

shall from time to time be appropriate and third party claims boilers and heating apparatus (if any) and the cost of valuing the Manager's Land for such insurance purposes and will produce to the Lessee upon receipt of a written request so to do written details of the policy or policies of such insurance and a copy of the receipt for the last premium for the same and if the Manager's Land or any part of it is destroyed or damaged by the occurrence of any of the Insured Risks the Manager will with all convenient speed apply all insurance monies received in repairing and rebuilding or reinstating the part or parts of the Manager's Land so destroyed or damaged

8. Make and enforce such regulations (if any) as it may in its absolute discretion consider necessary and desirable to enable all residents of the Estate to enjoy the Estate or to otherwise comply with the regulations and requirements of the Local Authority
9. Within 21 days of the production to it of a duly executed and stamped (if necessary) Deed of Covenant complying with the provisions of Clause 14 of this Lease and provided that there shall not be due to the Manager any monies covenanted to be paid in accordance with this Lease whether by the person producing the Deed of Covenant or any predecessor in title at the cost of the Lessee give a certificate in accordance with the provisions of that Clause
10. At the written request of the Lessee enforce by all means available to the Manager the covenants entered into and to be entered into by each of the lessees of the Apartments provided that:-
 - 10.1. the Manager shall not be required to incur any legal or other costs under this paragraph unless and until such security as the Manager in its absolute discretion may require shall have been given by the lessee or mortgagee requesting action
 - 10.2. the Manager may in its absolute discretion before taking any action under this paragraph require the Lessee or the person requesting such action at his her or their own expense to obtain for the Manager from Counsel to be nominated by the Manager advice in writing as to the merits of any contemplated action in respect of the allegations made and in that event the Manager shall not be bound to take action unless Counsel advises that action should be taken and is likely to succeed

11. To prepare proper books of accounts of all costs charges and expenses incurred by it in carrying out its obligations under this part of this Schedule
12. To do all things necessary to comply with the obligations contained in or otherwise referred to in the Memorandum and Articles of Association of the Manager including the creation of such reserves as the Manager may deem prudent from time to time and the paying of all interest or other financial charges which may be incurred on any monies borrowed for the purposes of any of the Manager's obligations herein or the observance or performance of any of its covenants herein contained and all fees and costs incurred in respect of all Certificates and accounts kept and audits made in pursuance of its obligations under this Lease
13. To take all steps deemed desirable or expedient by the Manager for complying with making representations against or otherwise contesting the incidence of the provisions of any legislation or orders or statutory requirements thereunder concerning town planning public health highways streets drainage or other matters relating or alleged to relate to the Estate or any part or parts thereof for which the Lessee is not directly liable hereunder and for which the owners of the other Apartments are not liable under the leases and transfers under which they own their respective properties
14. Whenever reasonably necessary to light cleanse repair renew and maintain the Manager's Land including the boundaries thereof **PROVIDED THAT** the Manager shall not be liable in respect of any breach of the covenant unless and until it shall have received notice of the want of repair and shall have failed to remedy the same within a reasonable period thereafter

THE FIFTH SCHEDULE

above referred to

Deed of Covenant with Lessor

I/We [assignee transferee or other disponee] of [address] **HEREBY JOINTLY AND SEVERALLY COVENANT** with NEW RIVER VILLAGE RESIDENTS COMPANY LIMITED of [address/registered office] and [Lessor or successor in title] of [address/registered office] that I/we and my/our successors in title of [specify address of apartment] ("the Premises") will at all times from the day of 20 duly pay the Estate Service Charge Proportion and the Apartments Service Charge Proportion and other monies covenanted to be paid in

accordance with the provisions of a Lease of Part dated the _____ day of _____ 200____ and made between the Builder (1) Lessor (2) NEW RIVER VILLAGE RESIDENTS COMPANY LIMITED (3) and [name of original lessee] ("the Original Lessee") (4) ("the Original Lease") of the Premises which Premises were vested in me for the residue unexpired of the term granted by the Original Lease by [Assignment/Transfer/Assent] dated [date] 20____ and executed prior to or contemporaneously herewith and perform all the covenants restrictions and stipulations contained in the Original Lease and on the part of the Original Lessee to be observed and performed (whether running with the Premises or of a purely personal or collateral nature) to the same extent as if I/we were the Original Lessee party to the Original Lease

THE SIXTH SCHEDULE

above referred to

Head of Service Charge and Proportion Payable

Estate Service Charge

i) Estate Costs

The proportion shall be calculated using the following formula:-

- A where A = the net internal floor area of the Premises
B and B = the aggregate of the net internal floor areas of all Apartments on the Estate (including the Premises) which are physically complete during the relevant Manager's Financial Year subject to the net internal area of any Apartment that first becomes physically complete during such Manager's Financial Year being reduced pro rata for that part of the Manager's Financial Year prior to it being physically complete.

ii) Car Park Costs

The proportion shall be calculated using the following formula:-

- C where C = the number of parking spaces allocated to the Premises
D and D = the total number of parking spaces constructed on the Estate

Apartments Service Charge

i) Apartment Costs

The proportion shall be calculated using the following formula:-

- E where E = the net internal floor area of the Premises
F and F = the aggregate of the net internal floor areas of all Apartments within the building of which the Premises forms part (including the Premises) which are physically complete during the relevant Manager's Financial Year subject to the net internal area of any Apartment that first becomes physically complete during such Manager's Financial Year being reduced pro rata for that part of the Manager's Financial Year prior to it being physically complete.

ii) Louvre Costs {} %

THE SEVENTH SCHEDULE

above referred to

Permitted Floor Coverings and Methods of Application

General

No fixings may penetrate deeper than 19mm, otherwise the performance of the party floor may be compromised. Adhesives used should be low tack to avoid damage to the floor when replaced.

No design liability is accepted for the products listed in the specification examples.

Broadloom carpet

Broadloom carpet on 8-10mm of underlay (e.g. Duralay 100lbs Supreme rubber waffle type stapled to floor) over floor. Grippa rods to be fitted to 19mm chipboard floor surface only.

T&G Floating Wooden Floor

Solid timber, laminated timber, laminate finished MDF or melamine faced MDF on separating layer (e.g. 2mm Ethafoam) over floor. 10mm gap or soft fill (cork or similar) to be provided at abutments. 3mm gap to be left beneath skirtings if removed and refixed.

Carpet Tiles

Carpet tiles on low tack adhesive or double-sided adhesive tape over floor.

Sheet or Tile Material (e.g. Vinyl, Linoleum, Rubber)

Sheet or tile material (e.g. vinyl, linoleum, rubber) on proprietary adhesive on 8mm sheathing ply on adhesive over floor.

Tiles (e.g. ceramic, clay, stone, marble)

Tiles (e.g. ceramic, clay, stone, marble) on proprietary tile adhesive on acoustic underlay (e.g. 3mm Isorubber Plus) on proprietary adhesive (e.g. Isobond adhesive) over floor.

Check which attestation clause to use either attorney for or Kennet to sign

EXECUTED AS A DEED by affixing)
THE COMMON SEAL of)
KENNET PROPERTIES LIMITED)
on this day of)
in the presence of:-)

.....
Director

.....
Director/Secretary

EXECUTED AS A DEED by affixing)
THE COMMON SEAL of ST JAMES)
GROUP LIMITED as Attorney for KENNET)
PROPERTIES LIMITED in the presence of:-)

.....
Authorised Signatory

.....
Authorised Signatory

EXECUTED AS A DEED by affixing)
THE COMMON SEAL of ST. JAMES)
GROUP LIMITED in the presence of:-)

.....
Authorised Signatory

.....
Authorised Signatory

EXECUTED AS A DEED by affixing THE)
COMMON SEAL of NEW RIVER VILLAGE)
RESIDENTS COMPANY LIMITED)
in the presence of:-)

Authorised Signatories

SIGNED AS A DEED by the
Lessee in the presence of:-

)
)