

These are the notes referred to on the following official copy

Title Number WSX381253

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Date:

1st November

2016

- (1) FRIDAY INVESTMENTS LIMITED
- (2) DEMENTIA SUPPORT

LEASE

**Salisbury House, City Fields Business Park, City Fields Way,
Tangmere, Chichester PO20 2FP**

BLAKE 
MORGAN

Blake Morgan LLP
New Kings Court
Tollgate
Chandler's Ford
Eastleigh SO53 3LG
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Ref: JER/123156/18

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PRESCRIBED CLAUSES

LR1. Date of Lease	1 st November 2016
LR2. Title Number(s)	
	LR2.1 Landlord's title number(s) WSX381253
	LR2.2 Other title numbers
LR3. Parties to this lease	
	Landlord Friday Investments Limited (A Company incorporated in Jersey) C/o James Todd & Co, 1 & 2 The Barn, West Stoke Road, Oldwick, Lavant PO18 0AA
	Tenant Dementia Support whose registered office is at Salisbury House, City Fields Business Park, City Fields Way, Tangmere, Chichester PO20 2FP (Company Registration No. 09044373)
	Other parties None
LR4. Property	In the case of conflict between this clause and the remainder of the lease then, for the purposes of registration, this clause shall prevail the property known as Salisbury House, City Fields Business Park, City Fields Way, Tangmere, Chichester PO20 2FP being the whole of the premises comprised in the above-mentioned title and including all additions and improvements and all fixtures and fittings (except Tenant's trade fixtures) and all Conducting Media on the Property
LR5. Prescribed statements etc.	
	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. Clause 14.11

	<p>LR5.2 This lease is made under or by reference to, provisions of: -</p> <p>None</p>
LR6. Term for which the Property is leased	<p>The term is as follows</p> <p>25 years from and including 1 June 2016</p>
LR7. Premium	<p>None</p>
LR8. Prohibitions or restrictions on disposing of this lease	<p>This lease contains a provision that prohibits or restricts dispositions</p>
LR9. Rights of acquisition etc.	
	<p>LR9.1 Tenant's contractual rights to renew this lease, to acquire the reversion or another lease of the Property, or to acquire an interest in other land</p> <p>Clause 14.9 and the schedule</p>
	<p>LR9.2 Tenant's covenant to (or offer to) surrender this lease</p> <p>None</p>
	<p>LR9.3 Landlord's contractual rights to acquire this lease</p> <p>None</p>
LR10. Restrictive covenants given in this lease by the Landlord in respect of land other than the Property	<p>None</p>
LR11. Easements	
	<p>LR11.1 Easements granted by this lease for the benefit of the Property</p> <p>None</p>
	<p>LR11.2 Easements granted or reserved by this lease over the Property for the benefit of other property</p> <p>None</p>

LR12. Estate rent charge burdening the Property	None
LR13. Application for standard form of restriction	None
LR14. Declaration of trust where there is more than one person comprising the Tenant	

ADDITIONAL PARTICULARS

"Option Date"	1 June 2021
"Order"	the Town and Country Planning (Use Classes) Order 1987 (as it stands at the date of this lease)
"Rent"	one hundred thousand one hundred and forty pounds (£100,140.00) per annum but for so long as the conditions set out in clause 1.1 apply the rent shall be £60,000 subject in both cases to review on the Rent Review Dates as provided in clause 15
"Rent Days"	1 March 1 June 1 September 1 December in each year
"Rent Review Dates"	1 June 2021 and every fifth anniversary of that date.
"Transfer"	the Transfer of the Property dated 25 May 2016 and made by Kingsbridge Estates Limited to the Landlord
"Use Allowed"	use for purposes within Classes B1(a) and D1 of the Order together with any associated café or use for recreational purposes and any other use approved by the Landlord under clause 3.1 including in every case all uses ancillary to the primary use

THE DEMISE

The Landlord lets to the Tenant with full title guarantee the Property described in LR4 (the Property) together with the rights which benefit the Property set out on the property register of Title Number WSX381253 for the Term described in LR6 subject to the Tenant paying the Landlord the Rent by these instalments: -

- (a) on the date of this lease, a proportionate sum for the period from and including the date hereof until and including the day before the next Rent Day following the date hereof and then
- (b) by equal quarterly instalments in advance on the Rent Days

AND upon and subject to the following terms covenants and conditions: -

1 PAYMENTS

The Tenant covenants to pay the Landlord: -

- 1.1 the Rent (by bankers order if required to do so) provided that for so long as Dementia Support remains the Tenant and this lease is vested in Dementia Support the Rent payable by the Tenant shall be reduced to the sum of £60,000 per annum until the Rent is reviewed in accordance with clause 15

1.2 within 21 days of written demand, the amount of the gross premium the Landlord properly pays to insure the Property for its full reinstatement value (including loss of rent insurance and any insurance against third party liabilities of the Landlord) or if the Property is insured by the Landlord with other premises a fair proportion or proportions of the gross premium (decided in the event of dispute by a surveyor nominated by the Landlord with the agreement of the Tenant and where no agreement is reached the surveyor shall be appointed by the President of the Royal Institution of Chartered Surveyors upon the application of either party) provided that in each case the Landlord has used reasonable endeavours to ensure the premium is at reasonably competitive rates in the market in accordance with clause 9.1.1

1.3 Provided That:-

1.3.1 any obligation to pay money (in this or any other clause in this lease) refers to a sum exclusive of Value Added Tax (VAT) and VAT charged on it is payable in addition

1.3.2 in making payment under this clause:-

(a) nothing is to be deducted or set off

(b) any value added tax payable is to be added

1.4 all the sums payable under this clause shall be recoverable as rent in arrear

2 OUTGOINGS AND FEES

The Tenant covenants with the Landlord that it will make the following payments, with value added tax where payable:-

2.1 all rates, taxes and outgoings relating to the Property, during the Term including any imposed after the date of this lease (even if of a novel nature), to be paid promptly to the authorities to whom they are due but excluding any tax payable for receipt of rent (other than VAT) or tax payable in respect of any dealing with the reversion to this Lease

2.2 a fair proportion (decided in the event of dispute by a surveyor the Landlord nominates with the agreement of the Tenant and if no agreement is reached appointed by the President of the Royal Institution of Chartered Surveyors upon the application of either party) of any rates taxes and outgoings relating to the Property and adjoining property (including any such imposed after the date of this lease even if of a novel nature) with such proportion to be paid to the Landlord within fourteen days of demand

2.3 the cost of the grant, renewal or continuation of any licence or registration for using the Property for the use allowed, to be paid promptly to the appropriate authority when due

2.4 a reasonable registration fee of not less than £40 and VAT for each document which this lease requires the Tenant to register, to be paid to the Landlord's solicitors when presenting the document for registration

2.5 all charges in relation to electricity gas telephone and other services and the Tenant covenants that save to the extent otherwise directed or agreed by the Landlord in writing it

will enter into direct contracts with the suppliers in relation to the supply of all energy consumed at the Property or by or in respect of the business carried on from the Property

2.6 as a debt the reasonable and proper cost of any works or operations to or in respect of the Property which the Landlord does pursuant to clause 4.2 of this lease after the Tenant defaults to be paid within 21 days of written demand

2.7 the reasonable and proper costs and expenses (including professional fees and Bailiff's costs) which the Landlord incurs in: -

2.7.1 dealing with any application by the Tenant for consent or approval, whether or not it is given

2.7.2 preparing and serving a notice of a breach of the Tenant's obligations, under Section 146 of the Law of Property Act 1925, even if forfeiture of this lease is avoided without a Court Order Provided That the reference to a notice under the said S146 shall include a notice under any new or further statutory or legal requirement replacing supplementing modifying or qualifying the said S146 and/or regulating forfeiture repossession and/or other enforcement of the tenant covenants by the Landlord

2.7.3 preparing and serving schedules of dilapidations either during the Term or recording failure to give up the Property in the appropriate state of repair when this lease ends

2.7.4 carrying out any necessary insurance valuation of the Property

within 21 days of written demand

2.8 interest at a rate equivalent to 2% above the Royal Bank of Scotland Plc's base rate from time to time on any of the above payments not paid within 14 days of the date due with such interest to be payable from the date the payment became due to the date of payment in full and whether before or after judgement

3 USE

The Tenant covenants with the Landlord to comply with the following requirements as to the use of the Property and any part of it and is not to authorise or allow anyone else to contravene them (but without any warranty from the Landlord that the Tenant is permitted to use the Property for the Use Allowed under planning law or otherwise)

3.1 to use the Property only for the Use Allowed or for any other use which the Landlord approves (such approval not to be unreasonably withheld or delayed) and on such approval the Use Allowed shall be extended to include such use

3.2 not to do anything which might invalidate any insurance policy covering the Property or any part of it or, unless the Tenant agrees to pay the increased premium, anything which might increase the premium

3.3 not to hold an auction sale in the Property other than a charity auction in connection with the Tenant's charitable purposes

- 3.4 not to use the Property for any activities nor to keep on the Property any things which are dangerous, offensive, noxious, illegal or immoral, or which are or may become a nuisance or annoyance to the Landlord or to the owner or occupier of any neighbouring property
- 3.5 not to display any notices or advertisements on the outside of the Property or which are visible from the outside without the Landlord's consent (and the Landlord is not entitled to withhold consent to any reasonable notice showing the Tenant's (and any subtenants') name and business and any reasonable directional or information notices or signs which are appropriate to the use of the Property or any part of the Property and to the business park of which the Property forms part
- 3.6 not to overload the floors or walls of the Property
- 3.7 to comply with the terms of every Act of Parliament, order, regulations, bye-law, rule, licence and registration authorising or regulating how the Property is used and to any trade or business carried on, and to obtain, renew and continue any licence or registration which is required
- 3.8 not to use any machinery or equipment in the Property (other than machinery or equipment normally used in connection with the Use Allowed) nor to erect or have any aerial or satellite or receiving or transmitting equipment without the Landlord's consent not to be unreasonably withheld or delayed
- 3.9 not to carry out any works or operations nor to store any materials or things on the open areas forming part of the Property unless the location and siting of such works operation or other things has been approved by the Landlord such approval not to be unreasonably withheld or delayed

4 ACCESS AND REMEDIAL WORKS

- 4.1 The Tenant is to give the Landlord, or anyone authorised by him in writing, access to the Property for these purposes:-
 - 4.1.1 inspecting the condition of the Property, or how it is being used
 - 4.1.2 doing works which the Landlord is permitted or obliged to do under this lease
 - 4.1.3 complying with any statutory obligations
 - 4.1.4 viewing the Property as a prospective buyer or mortgagee or, during the last six months of the Term, as a prospective tenant
 - 4.1.5 valuing, or carrying out or preparing any assessment inspection or report in respect of, the Property
 - 4.1.6 any other reasonable purpose

but unless otherwise agreed between the parties such access is to be on not less than 48 hours prior written notice and during normal business hours except in emergency and the person exercising the same is to make good all damage caused to the Property in exercising such access and whilst the lease is vested in Dementia Support all such access except in an

emergency is to be on prior appointment with the Tenant (unless the Tenant unreasonably refuses to make an appointment) and all persons exercising such right of access must be accompanied by a representative of the Tenant and comply with all reasonable rules relating to access to the Property

4.2 If the Tenant is in breach of any covenant relating to the condition of the Property or the observance of any statutory obligation or any regulation or requirement and the Landlord gives him written notice requiring remedial works or operations the Tenant covenants to: -

4.2.1 start the remedial works or operations within one month where reasonably practicable having regard to the remedial works required of such notice, or immediately in case of emergency and

4.2.2 proceed diligently with the work or operations and complete them within two months or such other reasonable period, and

4.2.3 in default, permit the Landlord to do or complete the work or carry out or complete the carrying out of the operations

5 CONDITION

5.1 The Tenant covenants with the Landlord: -

5.1.1 to keep in a good state of repair and condition the whole of the Property (including any additions after the date of this lease) Provided That the Tenant shall not be obliged to keep the Property in any better state of repair and condition than it is in on 19 March 2015 as evidenced by the annexed schedule of condition

5.1.2 to keep the Property clean and tidy and clean the windows at regular intervals acceptable to the Landlord

5.1.3 to keep any open areas forming part of the Property properly cultivated and/or surfaced as may be appropriate

5.1.4 to decorate:-

(a) the inside of the Property in every fifth year of the Term and in the last six months of the Term, the style design and colour of such decoration in the last six months of the Term to be approved by the Landlord such approval not to be unreasonably withheld or delayed; and

(b) the outside of the Property in every fourth year of the Term and in the last six months of the Term and the Tenant shall not change the colour style or manner of such external decoration without the approval of the Landlord such approval not to be unreasonably withheld

5.1.5 to do the work to the Property which any authority acting under any statute or regulation or other empowerment requires

Provided That the Tenant need not make good damage caused by a risk which the Landlord is required under the terms of this lease to insure against, except to the extent that the policy

monies have not been paid because of any act or default of the Tenant or any subtenant or anyone at the Property with the consent and under the control of any of them

- 5.2 Without prejudice to clause 5.1.1 the Tenant covenants to have all fixtures and fittings which comprise plant or equipment inspected and serviced at regular intervals by appropriately qualified contractors and to keep full service records with such records to be available at the Property for the Landlord's inspection and to replace any fixtures or fittings (other than the Tenant's trade fixtures and fittings) that are lost or become beyond repair during the Term

- 5.3 The Tenant covenants with the Landlord: -

5.3.1 to notify the Landlord forthwith of any pollution or contamination at or emanating from the Property and to take such steps to remediate the same as the Landlord or any regulatory authority may require

5.3.2 not to put or allow any other person to put any materials which may cause pollution or contamination into the drains serving the Property nor to cause or permit any pollution or contamination to the Property or adjoining property or to carry out or permit any other person to carry out any activity which may cause such pollution or contamination

- 5.4 The Tenant further covenants with the Landlord: -

5.4.1 not to make any structural alterations, external alterations or additions to the Property except with the Landlord's consent in writing

5.4.2 not to make any other alterations (including alterations to the external hard and soft landscaping) except with the Landlord's consent in writing such consent not to be unreasonably withheld or delayed

6 TRANSFER AND SUBLETTING

The Tenant covenants and agrees with the Landlord:-

- 6.1 not to hold the Property or any part of it on trust for another nor to grant a sub-lease other than one permitted under clause 6.4 hereof and save as referred to below that no part of it will be transferred or occupied separately from the remainder

- 6.2 not to transfer the whole of the Property unless:-

6.2.1 the Landlord grants licence by way of a deed in advance (and the Landlord is not entitled to delay or withhold that licence unreasonably) and

6.2.2 the Tenant procures that the transferee enters into a direct covenant with the Landlord to pay the rents and perform and observe all the tenant covenants and

6.2.3 if the Landlord reasonably so requires that the Tenant either:

- (a) procures that not more than 2 persons reasonably acceptable to the Landlord enter into direct covenants with the Landlord in such form as the Landlord (acting reasonably) requires to:
 - (i) guarantee the performance or observance by the transferee of the tenant covenants in this lease during the Term; and
 - (ii) accept a new lease (if the Landlord so requires) running from the date of the disclaimer if the Tenant is insolvent and this lease ends because it is disclaimed; or
- (b) the Tenant provides some other reasonable security for the performance and observance of the tenants covenants in the Lease which the Landlord (acting reasonably) accepts

6.2.4 the Tenant enters into direct covenants with the Landlord to guarantee the performance and observance by the transferee of the tenant covenants during the Term such direct covenants to be by way of an authorised guarantee agreement in such form as the Landlord reasonably requires (and without prejudice to the generality of the foregoing the Landlord shall be entitled to require that the agreement incorporates provisions of the sort referred to in Section 16 (5) of the Landlord and Tenant (Covenants) Act 1995) and executed as a deed Provided That this clause shall not apply whilst the lease is vested in Dementia Support so that Dementia Support may transfer or assign the whole of the Property without having to enter into direct covenants with the Landlord by way of an authorised guarantee agreement

6.2.5 the Tenant has paid all rent and any other money due under this lease which is not the subject of a legitimate dispute

6.3 that a conforming sub-lease is one which is of the whole of the Property or (subject to the conditions of this clause) of part of the Property and is granted without any fine or premium at a rent which is not less than the then open market rent but allowing any rent free period that is then usual in open market for such a letting (with provisions for review which correspond to those in this lease if any) and is otherwise consistent with and contains conditions and tenant covenants no less onerous than those in this lease but does not permit the sub-tenant to sub-let and is a tenancy for a term of years certain in relation to which the provisions of Sections 24 to 28 inclusive of the Landlord & Tenant Act 1954 ("the 1954 Act") are excluded (with an agreement excluding the said provisions of the 1954 Act being contained in or endorsed upon it together with the reference required by paragraph 5 of Schedule 2 of The Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 ("the 2003 Order")) Provided That in relation to any sub-lease of part of the Property the following conditions are to apply:

6.3.1 no more than five sub-leases may subsist at any one time and

6.3.2 no more than 50% of the total net internal floor area of the Property may be sub-let at any one time.

Provided That whilst the lease remains vested in Dementia Support the Tenant shall be permitted to grant one or more sub-leases for no rent or at a rent which is less than the then open market rent of the sublet premises where such letting is to a person or for a use which is complementary to or associated with the use of the Property by Dementia Support or which supports or benefits the charitable objectives of Dementia Support

6.4 that it will not grant a sub-lease (nor in the case of sub-clause 6.4.2 enter into any agreement whereby the proposed sub-tenant is contractually bound to enter into a sub-lease) unless:-

6.4.1 it is a conforming sub-lease as defined in clause 6.3; and

6.4.2 the requirements of Section 38 A (3) of the 1954 Act and Schedules 1 and 2 of the 2003 Order have been complied with in relation to the proposed sub-lease and the Landlord has been provided with certified copies of the notice and declaration required by such provisions and a certified copy of any agreement between the Tenant and the proposed sub-tenant to enter a sub-lease; and

6.4.3 the sub-tenant enters into direct covenants with the Landlord to observe the terms of the sub-lease and to pay the rents reserved by the sub-lease and not to do or omit to do anything which would result in a breach of this lease; and

6.4.4 (where reasonable) any guarantor for the sub-tenant enters into direct covenants with the Landlord guaranteeing that the sub-tenant will perform and observe its direct covenants with the Landlord given pursuant to clause 6.4.3; and

6.4.5 the Tenant has paid all rent and other money due under this lease as at the date of the sub-lease which is not the subject of a dispute; and

6.4.6 the Landlord grants licence by way of a deed in advance (and the Landlord is not entitled to delay or withhold that licence unreasonably)

6.5 within four weeks after the Property is transferred mortgaged or sub-let to give to the Landlord's solicitors written notice of the transaction and provide to them a copy of the transfer mortgage or sub-lease for registration and pay the fee referred to in clause 2.4

6.6 not to part with or share possession or occupation of the Property or any part of it except by way of a permitted transfer or sub-letting but the Tenant shall be entitled to share occupation of the Property if this does not create the relationship of landlord and tenant

7 OTHER MATTERS

The Tenant covenants with the Landlord:-

7.1 to give the Landlord a copy of any notice concerning the Property or any neighbouring property within fourteen days of receipt

7.2 to allow the Landlord to fix a notice in a reasonable position on the outside of the Property announcing that it is for sale or, during the last six months of the Term, to let and/or for sale

7.3 not to apply for planning permission relating to the use or alteration of the Property unless the Landlord gives written consent in advance not to be unreasonably withheld or delayed

- 7.4 to execute all works or remediation and provide and maintain all arrangements upon or in respect of the Property or the use or uses to which it is put that are required or are necessary in order to comply with the requirements of any statute regulation or law or the requirements requests or demands of any public statutory or regulatory body or authority or any court or tribunal regardless of whether the requirements are imposed on the owner, the occupier or any other person
- 7.5 without prejudice to the generality of clause 7.4 in relation to any works to which the Construction (Design and Management) Regulations 2007 (the "Regulations") apply:-
- (a) to procure that the Regulations are fully observed
 - (b) if the Landlord is or may be a client (as defined in the Regulations) in respect of such works the Tenant agrees not to commence them without having first entered into a written election whereby the Tenant elects to be the only client for the purposes of the Regulations
 - (c) promptly to provide to the Landlord a complete copy of the health and safety file for all works prepared in accordance with the Regulations and any Code of Practice or other guidance issued by any competent authority and (no later than the expiry or sooner determination of this lease) the original health and safety file
 - (d) to supply to the Landlord all information it reasonably requires to enable it to comply with any obligations it may have under the Regulations
- 7.6 to keep the Landlord fully indemnified against all losses costs or expenses arising directly or indirectly out of any act omission negligence or default of or by the Tenant or any persons at the Property expressly or by implication with the authority of and under the control of the Tenant or any breach or non-observance by the Tenant of any of the covenants conditions or other provisions of this lease PROVIDED THAT the Landlord takes reasonable steps to mitigate any loss it may suffer and promptly gives to the Tenant notice of any claim or alleged claim
- 7.7 to give notice to the Landlord of any defect in the Property that might result in any liability to the Landlord under the Defective Premises Act 1972 and to keep the Landlord fully indemnified against any costs expenses damages or liability that the Landlord may become subject to under the said Act

8 QUIET ENJOYMENT

The Landlord is to allow the Tenant to possess and use the Property without interruption from the Landlord or any trustee for the Landlord

9 INSURANCE

9.1 The Landlord covenants with the Tenant:-

9.1.1 to keep the Property insured with reputable insurers on fair and reasonable terms which represent value for money to cover:-

- (a) full rebuilding, site clearance, professional fees, value added tax and three years loss of rent
- (b) against fire lightning, explosion (but not one caused by terrorism), earthquake, tempest, flood, aircraft and aerial devices and articles dropped accidentally from them, storm, bursting or overflowing of water tanks or pipes, damage to underground water, oil or gas pipes or electricity wires or cables, subsidence, ground slip, heave, riot, civil commotion, strikes, labour or political disturbances, impact by vehicles, damage by malicious persons and vandals and any other risks (including any excluded above) required by the Landlord from time to time
- (c) (if the Landlord so requires) third party liabilities arising from the Property or its use but so that such cover shall be against any liabilities of the Landlord only

so far as cover is generally available in the insurance market from time to time in the ordinary course of business and on normal commercial terms and subject to the reasonable excesses and exclusions which are normal to the market

9.1.2 to use all reasonable endeavours to procure that the Landlord's insurer:

- (a) waives its rights of subrogation against the Tenant and any lawful sub-tenant or occupiers of the Property
- (b) includes in the insurance policy a non-invalidating provision in respect of any act of default of the Tenant, or any subtenant or lawful occupier; and
- (c) notes the interest of the Tenant on the policy

9.1.3 to make good or rebuild (in each case with such modifications as may be desirable in the circumstances and which do not adversely affect the use of the Property) as soon as possible and in a good and workmanlike manner any damage to the Property caused by insured risks except to the extent that the insurance money is not paid because of the act or default of the Tenant or any subtenant or of any person at the Property with the consent (express or implied) and under the control of any of them Provided That the Landlord shall not be required to make good or rebuild where it is impossible to rebuild or reinstate by any matter which the Landlord could not prevent or avoid

9.1.4 to give the Tenant at his request once a year particulars of the policy and evidence from the insurer that it is in force and inform the Tenant of any material change in the terms of the insurance policy as soon as reasonably practicable

9.2 The Tenant covenants with the Landlord: -

- 9.2.1 to keep the Property supplied with the equipment for fire detection and fighting fire and with the fire alarm equipment that is reasonably required by the Landlord or that the insurer or fire officer requires and to maintain this equipment in proper working order and to have it regularly inspected by a competent person and to comply with the requirements of the insurer as to the use of the Property and the storage of any materials and without prejudice to the generality of the foregoing and clause 7.4 to comply with the Regulatory Reform (Fire Safety) Order 2005
- 9.2.2 to pay the Landlord on demand the amount of any reasonable excess which may be properly deducted or deductible by the insurers on any claim made by the Landlord under the policies arranged pursuant to clause 9.1.1

10 DAMAGE FROM INSURED RISKS

If any part of the Property is damaged by any of the risks the Landlord is required to insure against and as a result of that damage the Property, or a significant part of it, cannot be occupied or used for the Use Allowed:-

- 10.1 the rent, or a fair proportion of it, is to be suspended for three years or until the Property is fully restored and capable of use in the manner contemplated by this lease if sooner unless payment of the insurance money is refused in whole or in part because of any deliberate act of the Tenant
- 10.2 if the Property has not been restored within the period of 2 years and 9 months of the date of the damage so that it is again capable of reasonable beneficial use by the Tenant then either party can determine this lease by notice given to the other before the restoration is complete
- 10.3 if the whole of the Property is damaged or destroyed so as to prevent occupation the Landlord or the Tenant can end this lease by giving not less than one months' notice to the other party such notice to be served within six months of the date the damage occurred PROVIDED THAT the Landlord shall reimburse the Tenant for any Rent or insurance rent paid to the Landlord in respect of the period after the expiry of the Landlord's notice.
- 10.4 in the event of this lease being determined pursuant to sub-clause 10.2 or 10.3 hereof:-
- 10.4.1 the insurance money belongs to the Landlord unless the market value of the Property reflects any of the tenant's improvements or works at the Property in which event the insurance money shall be divided between the Landlord and the Tenant in proportion to the capital value of their interests in the Property, and
- 10.4.2 the Landlord's obligation to make good or rebuild contained in clause 9.1.3 ceases
- 10.5 any dispute arising under any part of this clause is to be decided by arbitration
- 10.6 If the Property or any part is damaged by an uninsured risk (being any risk where loss or damage caused in whole or in part by the same is not the subject of insurance cover but shall not include loss or damage caused by reason of the Tenant's default) then;

10.6.1 the Tenant shall not be liable to repair or rebuild the Property under this clause or otherwise; and

10.6.2 unless the Landlord gives notice within 3 months of such damage that it intends to reinstate and restore the Property (in which event the provisions of clause 10.1 will apply) either the Landlord or the Tenant may terminate this lease with immediate effect by giving notice to the other party

11 FORFEITURE

This lease comes to an end if the Landlord forfeits it by entering any part of the Property, which the Landlord is entitled to do whenever:-

11.1 payment of any rent is 21 days overdue, where formally demanded

11.2 there is a breach of any of the tenant covenants conditions or provisions of this lease

11.3 the Tenant or any Guarantor if an individual (and if more than one, any of them) is adjudicated bankrupt or an administrator or interim receiver or receiver of his property (or any part of it) is appointed or the Tenant or any Guarantor seeks a protection order with a view to making an arrangement with creditors or enters into any voluntary arrangement with his creditors

11.4 the Tenant if a company (and if more than one, any of them) goes into liquidation (unless solely for the purpose of amalgamation or reconstruction when solvent), or has an administrator administrative receiver or receiver appointed or has an administration order made in respect of it or enters into any voluntary arrangement with its creditors

the forfeiture of this lease does not cancel any outstanding obligation of the Tenant or a Guarantor

12 END OF LEASE

When this lease ends the Tenant covenants with the Landlord:-

12.1 to return the Property to the Landlord leaving it tidy and clear of refuse and materials and in the state and condition in which this lease requires the Tenant to keep it

12.2 (if and to the extent the Landlord reasonably requires by notice given no later than 3 months before the end of the term) to remove any alterations and anything the Tenant fixed to the Property and to reinstate the Property and make good any damage caused

12.3 to deliver to the Landlord all assessments reports and surveys relating to the Property and all manuals working drawings and service records relating to plant and equipment remaining at the Property and to assign to the Landlord the benefit of any guarantees or warranties which are capable of assignment and which relate to plant and equipment remaining at the Property

12.4 to remove from any register of title affected any entry relating to this lease or to any rights granted by this lease

13 PROPERTY RIGHTS

13.1 The Landlord and others authorised by him are to have the following rights:-

13.1.1 the right to have access to the Property for any of the purposes set out in clause 4.1 but subject to the provisions and conditions which apply to the rights of access set out in that clause

13.1.2 the right to display a sign pursuant to clause 7.2

13.2 The rights of access or entry referred to:-

13.2.1 may be exercised only on 48 hours written notice except in emergency

13.2.2 may be exercised only during normal business hours except in emergency

Provided that whilst the lease is vested in Dementia Support all rights of access and entry are subject to the provisions and conditions set out in clause 4.1

and

13.2.3 include the right to erect scaffolding where necessary but only where access to the Property is not unduly restricted and the Landlord permits the Tenant to erect temporary signage on the scaffolding

the person exercising them is promptly to make good all damage caused to the Property and to the Tenant's fixtures and fittings

13.3 The Property is let subject to and with the benefit of (as appropriate) the rights matters or covenants contained or referred to in the Transfer and in the registers of title number WSX381253 and the Tenant covenants to observe and perform the same in so far as the same affect the Property and are still subsisting and to keep the Landlord indemnified in respect of any losses damages costs or liabilities whatsoever resulting from any breach or non-observance thereof AND in particular (but without limitation) the Tenant shall pay to the Landlord or as the Landlord may direct all payments required to be made pursuant to clause 19 of the Transfer

14 GENERAL

14.1 Parties' Responsibility

14.1.1 Whenever more than one person or company is the Landlord, the Tenant or the Guarantor, their obligations can be enforced against all or both of them jointly and against each individually

14.1.2 Any covenant by the Tenant not to do any act or thing includes an obligation not to allow or suffer that act or thing to be done

14.2 Landlord

The Landlord includes the person who, at any particular time, has the right to receive rent under this lease

14.3 Service of Notices

The rules about serving notices in Section 196 of the Law of Property Act 1925 (as since amended) apply to any notice given under this lease

14.4 Dispute Determination

14.4.1 Any certificate to be issued or issue to be determined by an independent or appropriately qualified surveyor nominated by the Landlord shall be final and binding upon both parties and the surveyor's costs shall be paid as he may direct or in the absence of a direction by the Landlord and the Tenant in equal shares

14.4.2 Any matter which this lease requires to be decided by arbitration is to be referred to a single arbitrator under the Arbitration Act 1996. The Landlord and the Tenant may agree the appointment of the arbitrator, or either of them may apply to the President of the Royal Institution of Chartered Surveyors to make the appointment

14.5 Exclusion of Statutory Compensation

So far as the law allows, any right of the Tenant to compensation under section 37 of the 1954 Act is excluded

14.6 Third Party Rights

No term in this lease is intended in the absence of express contrary provision to be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999

14.7 References

References to:-

14.7.1 the expiry of the Term or to the last year of this lease or to the end of this lease are to the end of this lease and the last year of the Term however it comes to an end and whether by effluxion of time or in any other way

14.7.2 the Term shall include any period of statutory continuance if this lease does not include an agreement under S.38 A (1) of the Landlord and Tenant Act 1954

14.7.3 "the lease" or "this lease" include (except where the contrary is indicated) any document supplemental or collateral to this document or entered into in accordance with this document

14.7.4 "Dementia Support" shall mean the company now named Dementia Support (Company Number 09044373) and not any other Tenant

14.8 Landlord's Liabilities

- 14.8.1 The party named as the Landlord in clause LR3 (here meaning the original landlord only and not including its successors in title) shall not be liable for any breach of the covenants on the part of the Landlord contained in this lease which occur after it has disposed of its interest in the Property
- 14.8.2 The liability of Dementia Support under this lease shall never exceed the net asset value of Dementia Support from time to time

14.9 Option to Purchase

Whilst Dementia Support is the Tenant under this lease the provisions of the Schedule to this lease shall apply and the Landlord and the Tenant (here meaning Dementia Support) each covenant with the other to observe and perform their respective obligations contained in that schedule to the intent that the provisions of such Schedule shall cease to apply and shall have no effect upon Dementia Support ceasing to be the tenant under this lease

14.10 Tenant's Option to Determine

- 14.10.1 For the purposes of this lease a Break Date means;
- (a) any date in the first five years of the Term;
 - (b) 31 May 2021;
 - (c) 31 May 2026;
 - (d) 31 May 2031.
- 14.10.2 If the Tenant wishes to determine this lease on a Break Date it must:
- (a) give not less than 6 months' written notice to that effect to the Landlord;
 - (b) pay the yearly rent first reserved by this lease (and any VAT thereon) due to have been paid on or before the relevant Break Date;
 - (c) give up occupation of the Property (in all material respects) on or before the relevant Break Date
 - (d) ensure that there are no underleases of the Property which will continue beyond the relevant Break Date
- 14.10.3 Subject to the conditions specified in clause 14.10.2 being met this lease shall determine on expiry of any notice served pursuant to clause 14.10.2(a) being the relevant Break Date. Such determination shall be without prejudice to the rights of either party against the other in respect of any antecedent claim for breach of any of the covenants contained in this lease
- 14.10.4 Time is of the essence in respect of all dates in this clause

14.11 Refund of Rent on Exercise of Option to Determine

- 14.11.1 If this lease is determined pursuant to clause 14.10 the Landlord shall reimburse to the Tenant such part of the yearly rent first reserved by this lease or any other payment which has been paid in advance as is attributable to the period between the relevant Break Date and the end of the period in respect of which payment was made
- 14.11.2 Save as provided in clause 14.11.3 the payment referred to in clause 14.11.1 shall be made within 10 working days of the determination of this Lease
- 14.11.3 The Landlord shall not be obliged to reimburse the Tenant for any VAT that the Tenant may have paid in respect of any of the payments for which the Tenant is to be reimbursed pursuant to this clause

14.12 Charity

The Property will as a result of this lease be held by Dementia Support, a non-exempt charity and the restrictions on disposition imposed by Sections 117 -121 of the Charities Act 2011 will apply to the Property (subject to Section 117 (3) of that Act).

15 RENT REVIEW

- 15.1 On the Rent Review Date (and if the Additional Particulars provide for more than one Rent Review Date then references in this clause to the Rent Review Date shall be taken as being to the relevant Rent Review Date) the Rent is to be reviewed to the greater of the passing rent and the open market rent on the Rent Review Date
- 15.2 The open market rent is the rent which might reasonably be expected to become payable in respect of the Property
 - 15.2.1 after the expiry of any rent free or concessionary rent period and/or after the giving of any other inducement (whether by means of a capital payment or otherwise) which might reasonably be negotiated for fitting out and equipping the Property (to the intent that no discount reduction or allowance shall be made in ascertaining the market rent to reflect such rent free period concessionary rent or other inducement as might be negotiated or to compensate the Tenant for its absence)
 - 15.2.2 on a letting of the Property as a whole on the open market on the Rent Review Date by a willing landlord to a willing tenant without a premium from either party and with vacant possession
 - 15.2.3 by a lease for a term equal to whichever is the longer of a term of 10 years commencing on the Rent Review Date and a term equal to the unexpired residue of the Term of this lease as at the relevant Rent Review Date on the same terms as this lease (mutatis mutandis and except as to the amount of the rent and any rent free period or rent concession that may have been allowed by this lease) and on the basis that the hypothetical lease contains the provisions for rent review contained in this lease (if any) and provides for the rent to be reviewed at the same intervals as this lease but taken from the start of the hypothetical term

assuming that: -

- (a) the Property is in the condition required by this lease and any damage caused by any of the risks insured by the Landlord under this lease has been made good
- (b) neither the Tenant nor any sub-tenant nor any predecessor in title of either has done anything to the Property to decrease its rental value
- (c) the covenants on the part of the Tenant have been fully observed and performed
- (d) the Property is ready fit and available for immediate occupation and use
- (e) the Property is being used either for any purposes within Class B1(a) or D1 of the Order whichever produces the higher figure

but disregarding: -

- (f) any effect on rent of the fact that the Tenant or any sub-tenant or their predecessors in title have been in occupation of the Property
- (g) any goodwill attached to the Property because the business of the Tenant or any sub-tenant or any predecessor in title has been carried out at the Property
- (h) any effect on rent of any alteration to the Property carried out: -
 - (i) during the Term or during the period immediately before the beginning of the Term by the Tenant or anyone deriving title under the Tenant with the consent of the Landlord (where required)
 - (ii) otherwise than pursuant to a tenant covenant or other obligation to the Landlord or at the expense of the Landlord
 - (iii) any costs involved in subdividing the Property in order to facilitate the grant of sublettings of parts of the Property as referred to in clause 6.3 of this lease

15.3 If the Landlord and the Tenant agree the amount of the reviewed Rent a statement of that reviewed Rent is to be signed by them

15.4 If the Landlord and the Tenant have not agreed the amount of the reviewed Rent two months before the Rent Review Date: -

15.4.1 either of them may require the reviewed Rent to be determined by an independent third party

15.4.2 the independent determination shall be by arbitration

- 15.4.3 the Landlord and Tenant may agree the appointment of the independent third party, or either of them may apply to the President of the Royal Institution of Chartered Surveyors to make the appointment
- 15.4.4 the provisions of clause 14.4.2 shall apply to the arbitration
- 15.5 If the reviewed Rent: -
- 15.5.1 has been agreed or decided on or before the Rent Review Date and the Rent Review Date is not a Rent Day the Tenant shall on the Rent Review Date pay to the Landlord the difference between the rent due for that quarter taking account of the review (apportioned on a daily basis) and the rent payable at the rate applying before the Rent Review Date
- 15.5.2 has not been agreed or decided by the Rent Review Date then the Tenant is to continue to pay rent at the rate applying before the Rent Review Date until the reviewed Rent is agreed or decided and within 14 days of the reviewed Rent being agreed or decided the Tenant shall pay any shortfall between the rent that would have been payable if the reviewed Rent had been agreed or decided before the Rent Review Date and the rent payable at the rate applying before the Rent Review Date together with interest at the Royal Bank of Scotland PLC base rate from time to time computed from the date upon which any instalment of that shortfall would have become payable if the reviewed Rent had been agreed or decided before the Rent Review Date until the date of payment PROVIDED THAT the Landlord shall not be entitled to any interest where the Landlord did not initiate the rent review prior to the Rent Review Date.
- 15.5.3 Where the lease remains vested in Dementia Support only, the Tenant shall have the option to determine this lease by serving not less than 6 months' notice to determine this lease at any time within a period of one month after the reviewed Rent payable from a Rent Review Date is agreed or determined in accordance with clause 15 and if the Tenant serves such a notice the date of termination specified in the notice shall be the "Rent Review Break Date" and the provisions of clauses 14.10 and 14.11 shall apply to the Rent Review Break Date in the same manner as they apply to a Break Date.

IN WITNESS whereof this lease has been duly executed as a deed the day and year first hereinbefore mentioned

The Schedule

1.1 Definitions

The terms defined in this Schedule are to have the meanings given.

1.1.1 'The Additional Payments'

'The Additional Payments' means the Landlord's reasonable legal and surveyor's fees incurred in connection with the sale of the Property and the determination of the Purchase Price following the service of a Valuation Notice and/or exercise of the Option

1.1.2 'The Completion Date'

'The Completion Date' means the date which is 28 days after the Service Date (or such earlier date as the Tenant may require)

1.1.3 'The Freehold Interest'

'The Freehold Interest' means the Landlord's freehold reversionary interest in the Property

1.1.4 'The General Conditions'

'The General Conditions' means the Standard Commercial Property Conditions Second Edition

1.1.5 'An Independent Surveyor'

References to 'an Independent Surveyor' are references to a chartered surveyor with experience in the valuation of premises of a similar type to and in the same area as the Premises, who is to be appointed by agreement between the Landlord and the Tenant or, failing agreement within three months after service of the Valuation Notice, at the request of either of them by the President for the time being of the Royal Institution of Chartered Surveyors or any other person authorised by him to make appointments on his behalf

1.1.6 'The Option'

'The Option' means the option granted to the Tenant by this Schedule

1.1.7 'The Option Notice'

'The Option Notice' means notice of the Tenant's wish to purchase the Freehold Interest served by the Tenant on the Landlord not later than 14 days after agreement or determination of the Purchase Price (time to be of the essence)

1.1.8 'The Purchase Price'

'The Purchase Price' means the highest of the following

- (a) The open market value of the Freehold Interest on the date of the service of the Valuation Notice or (in the event that an Independent Surveyor is appointed pursuant to paragraph 1.4.2 of this Schedule) the Valuation Date assuming vacant possession and on the basis that the permitted use of the Property is any purpose falling within Class B1(a) of the Order
- (b) The open market value of the Freehold Interest on the date of the service of the Valuation Notice or (in the event that an Independent Surveyor is appointed pursuant to paragraph 1.4.2 of this Schedule) the Valuation Date assuming vacant possession and on the basis that the permitted use of the Property is any purpose falling within Class D1 of the Order
- (c) One Million Two Hundred Thousand Pounds (£1,200,000.00)

1.1.9 'The Service Date'

'The Service Date' means the date of the service of the Option Notice

1.1.10 'The Valuation Notice'

'a notice served on the Landlord pursuant to paragraph 1.3 requiring determination of the Purchase Price.

1.1.11 'The Valuation Date'

'The Valuation Date' means the date (if any) on which the Independent Surveyor appointed pursuant to paragraph 1.4.2 of this Schedule carries out his valuation of the Property.

1.2 Grant of the Option

The Landlord grants to the Tenant the Option to buy the Freehold Interest at the Purchase Price together with VAT if applicable.

1.3 Valuation Notice

The Tenant may serve a Valuation Notice upon the Landlord at any time but not later than 1 February 2021 (time to be of the essence) requiring determination of the Purchase Price.

1.4 Ascertainment of the Purchase Price

1.4.1 Agreement

If the Tenant serves the Valuation Notice, then the Landlord and the Tenant shall endeavour to agree the Purchase Price and must act reasonably in so doing.

1.4.2 Determination

If the Landlord and the Tenant have not agreed the Purchase Price within two months after service of the Valuation Notice, then it is to be determined by an Independent Surveyor, acting as an expert and not as an arbitrator, whose decision is to be final and binding on the Landlord and the Tenant, and whose fees and expenses, including the cost of his appointment, must be borne by the Tenant.

1.5 Exercise of the Option

The Option shall be exercisable by the Tenant serving on the Landlord the Option Notice and on the valid serving of the Option Notice the Landlord shall sell and the Tenant shall buy the Freehold Interest at the Purchase Price on the terms of this Schedule.

1.6 Completion

Completion of the sale and purchase of the Freehold Interest and payment of the Purchase Price and the Additional Payments and any VAT thereon shall take place on the Completion Date provided that the Landlord need not complete the sale unless the Tenant has paid all the Rent and other sums payable under this lease up to the date of actual completion. Until completion has actually taken place, this lease is to continue in full force and effect.

1.7 Title Guarantee

The Landlord sells with full title guarantee.

1.8 Title

The Tenant, having investigated the Landlord's title to the Freehold Interest up to the date of this lease, is deemed to have accepted that title and may investigate only the subsequent title.

1.9 Incorporation of conditions of sale

The General Conditions shall apply to the sale and purchase of the Freehold Interest in so far as they are applicable to a sale by private treaty and are not varied by or inconsistent with the terms of this Schedule.

1.10 Additional Payments

In the event that the Tenant serves the Valuation Notice but does not exercise the Option then the Tenant shall pay the Additional Payments to the Landlord on demand.

1.11 Personal to Dementia Support

All references in this Schedule to "the Tenant" mean Dementia Support only and not any other tenant in whom this lease may be vested for the time being

Executed as a Deed by **FRIDAY INVESTMENTS LIMITED** a company incorporated in Jersey:

by **KEVIN ANDREW COPPAM**

and x **MICHAEL ANDREW WICKINS**

both being persons who in accordance with the laws of that territory are acting under the authority of the company



x 

Executed as a Deed by **DEMENTIA SUPPORT** acting by a director and its secretary or by two directors:

Director

Director/Secretary



Nash and Partners Limited

Address: 5 Dukes Court, Bognor Road, Chichester, PO19 8FX

Tel: +44 (0) 1243 815720

Web: www.nashpl.com

Structural Survey

of the property known as

**Salisbury House
City Fields Business Park
City Fields Way
Tangmere
Chichester
West Sussex
PO19 3SD**

**C B C Manhire
19th March 2015**



CBCM/ZT/1853

Instructions

We thank you for your kind instructions given by email to our Mr Manhire dated the 11th March 2015 to carry out a Structural Survey of the above property together with arranging tests of the heating, electrical and drainage installations. We have now carried out our inspection and have pleasure in reporting as hereunder.

We would advise that no excavation works have been carried out to expose foundations nor have any other opening up works been undertaken to expose parts of the main fabric.

Our inspection was made principally from ground level only apart from inspecting certain upper parts from a 3 metre high ladder.

For the purposes of our description we have assumed that the front elevation faces due North.

We carried out our inspection on the 18th March 2015; the weather was dry and sunny.

Situation and Description

The subject property comprises a detached standalone office building, being single storey and constructed in the late 1980's.

The construction is conventional comprising a steel frame with exposed brick elevations under a pitch roof clad in concrete tile. The floor construction is solid concrete being screeded throughout.

Roads and Road Charges

We assume that City Fields Way is made up and adopted being the repairing responsibility of West Sussex County Council.

We would advise there are extensive car parking areas of concrete block paviers. The markings are poor and require reinstatement.

We also advise that there is some general rutting to the block paviers as a result of past traffic movements. We have to say that the extent of this does not concern us unduly however there are areas to the west of the building at the rear which will require repair/relaying.

We describe in more detail at the end of our report the external areas.

Main Walls

For ease of description we have assumed that the front door into the East wing faces due West.

The subject property is of a conventional type of construction comprising a steel framework which is partly visible internally. External elevations are of exposed brick laid to stretcher bond, together with internal walls of block being plastered.

When looking at external walls there are two principal considerations. Firstly their structural stability and secondly their freedom from dampness or otherwise.

With regards to the property's structural stability we propose to describe the elevations as indicated on the attached plan.

Elevation 1

This comprises the Front Entrance Door and part is taken up by the aluminium frame which we will separately refer to. The exposed brick is for the most part found to be in a satisfactory order and as is common to all elevations there is an engineered brick band running below window cill line. The brick banding is a soldier course whereas the main brickwork itself is stretcher bond. This elevation lined up and is for the most part free from any visible defects.

Elevation 2

There is a minor crack to the north western corner to the soldier brick band which requires to be pointed in otherwise this elevation was found to be in a satisfactory order. We would advise that the various hedgerow etc. be cut back. There are expansion joints to this elevation which is good practice.

Elevation 3

Due to the change in ground levels, this elevation has a larger area of exposed brickwork which lined up in a satisfactory manner. The brick elevations were noted for the most part to stand true and be free from visible defect. There are one or two redundant service holes visible which require careful making good. We would advise that there are expansion joints visible.

Elevation 4 (Rear Elevation)

Due to the long length of this elevation and the hedgerow, shrubs etc. it was difficult to line up satisfactorily. It was noted to stand true and as with the other elevations is for the most part found to be in satisfactory order. We would advise that there is some deterioration to brickwork and mortar pointing adjacent to the steps up to a rear access door. Efflorescence to the bricks is visible and minor repair to this area would be beneficial. We noted expansion joints which is good practice.

There is a section of staining to the brickwork above the eastern low level louvre service doors which requires to be cleaned off. It may be due to past rain penetration however the roof itself appeared to be intact in this area. We would advise that this area be monitored.

Attached to this elevation are various redundant air cooling units which we assume will be removed. This will necessitate minor repair and making good to service holes. We also advise that there will be a cost of removal of the cooler units.

As noted elsewhere to this elevation former service holes have been left open and repointing will be required.

Elevation 5 (Main West Elevation)

Once again this elevation is matching brickwork. It lined up in satisfactory manner and is free for the most part from any visible defect. The land adjacent to the west is at a higher level, approximately 2m, and there is a batter to the ground with a gravel French drain or similar visible hard up the building. We assume that there is some form of land drain to take any water run off away from the base of the walls. To the northern section there is some slight discolouration to brickwork which requires to be cleaned down.

Elevation 6

This elevation lined up in a satisfactory manner and is of similar detail and found to be free from any large scale cracking. There are expansion joints provided, minor repair to old fixings will be necessary.



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Elevation 7

This elevation lined up in satisfactory order. Once again there are expansion joints. There is some discolouration to the brickwork around a rainwater pipe which we believe is blocked and is overflowing. Otherwise the brickwork was for the most part found to be satisfactory.

Elevation 8

The brickwork lined up in satisfactory manner and is free from any large scale defect. This section is made up in part by a timber glazed screen which we will separately refer to under the heading Doors and Screens.

Elevation 9

For the most part this elevation is taken up by 2 no. glazed timber screens which we will separately refer to as above. The exposed brickwork was noted to be in a satisfactory order. The shrub growth requires to be cut back.

Elevation 10

Due to its alignment this elevation was difficult to line up entirely satisfactorily but was noted to stand true and is free for the most part from visible defect. There are expansion joints noted and a freedom from cracking. We would like to see all shrub growth cut back.

Main Walls Internally

The main walls internally to the office building have a plaster surface. One can see evidence of a steel frame structure of vertical posts together with a head beam. This supports loadings from the roof particularly at the corners where there is a corner glazing fitted, albeit there is a substantial timber frame structure for the window openings and this may incorporate some vertical support.

With regards to the plastered surfaces there is a freedom from large scale cracking. The property has remained undecorated for some considerable time and various fixings are visible to the external wall plastered surfaces, all of which will require to be made good. There are sections of what will prove to be redundant IT cabling and trunking. Careful making good to these areas will be necessary once removed.

We did note in one or two locations some evidence of cracking particularly visible to Elevation 3, where internal partitions run into the external wall and also adjacent to certain of the vertical beams. The level of movement does not concern us partly because the fracturing is not extensive and it is also apparent that the property, as we referred to earlier, has remained undecorated for many years which has exaggerated the present position.

In one or two areas there is some evidence of moisture penetration running below the window cills and there is a requirement to make good mastic seals to cills externally.

To Elevation 4 to the separate office area No. 4 (running from the east) there is evidence of heavy damp staining to the external wall, this is adjacent to the brickwork that is stained externally as described and further investigation to this area is necessary. We inserted the probes of our moisture meter and no readings were found.

Within the IT Suite there is a considerable amount of surface cabling all of which is redundant and will require stripping out and careful making good.

To summarise the main elevations therefore they are found to be in good order. The main issue is around repair to some minor cracking and damp penetration. Also, making good where old fixings have been removed together with IT trunking and cabling.



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Internal Partitions

We assume that it is your intention to retain the internal partitions. They are principally of a stud construction with plastered and boarded linings. They were found to be in a satisfactory order, save once again decorative finishes are worn together with old fixings in situ to IT cabling and conduits.

In addition to the stud partitioning's there are also sections of glazed partitioning's sub dividing offices. This is to a high standard originally and for the most was found to be intact and in good order.

Within the building there are 3 no. service cores which house W.C. and plant facilities. The construction of the dividing walls is of blockwork, not stud, which is typical of the property's age and type. The plastered surfaces are in reasonable condition save there are one or two fractures. The extent of the fractures is of no concern. Where doors run through internal partitions there is for the most part little sign of any large scale movement. One or two doors need easing as they bind but this is routine maintenance and exaggerated by the building having been empty for some time with no heating.

The W.C's are fully tiled to which we will make separate comment upon.

Dampness

Externally the property is complete with a DPC line visible which is for the most part noted to be a satisfactory height above ground level.

We carried out an internal inspection with a moisture meter. We understand the property has been left empty for some time, however there is no pattern of damp readings found which is good practice. Where deterioration to plaster finishes were found to the rear elevation, as referred to, no damp readings were found at the time of our visit. We also noticed some deterioration to a small section of internal partition wall and skirting which is marked and black, adjacent to the western fire exit to the rear elevation, no readings were found at the time of our visit.

Adjacent to the small Kitchenette to the south western section of the office there is severe blowing to plaster surfaces. No damp readings were found which indicates that this was caused by a plumbing problem, when the services are reconnected repair to this area will be necessary.

Roof

The main roof construction comprises a conventional timber structure with certain steel framing to support loads due to the extended eaves design.

The cladding is of a concrete tile with rounded ridge tiles. The hips are clad with matching round ridge tiles with hip irons in place. The swept valleys are formed in lead.

From our external inspection roof lines were found for the most part to be intact. To the front slope above Elevation 2 there is evidence of one or two tiles having been replaced otherwise the roof tiling was noted to be original to the front section.

There is a build-up of moss growth which we would like to see removed. There are signs of some repointing to hip and ridge tiling which is a fairly common place and does not concern us unduly. It is also apparent that the ridge pointing is weathered, much as we would expect, and this is maintenance item that needs to be carried out.

To the rear slope, south western corner, there is a section of tiling that is broken and missing in part. One can see that the timber framework itself is felted which appears intact together with softwood battens.

Running through the roof slopes are 3 no. service vents. We believe the fourth was originally designed as a clock tower. There are various flashing details where the vents run through the roof line. The timber boarding that is visible is rotten and poorly decorated. All sections will require repair/replacement. There is evidence of plastic sheeting to the roof and these areas will require re-roofing. At the same time all lead flashing details need checking as internally there is a pattern of water staining to the ceiling tiles underneath these vents.

There is some slight spraining to the tiling along the valley gutter lines due to slight deflection to the timber framework. It is not excessive, there are one or two small sections of repointing required and loose tiles are evident but this is not a major item.

Access was gained into the roof space where the roof construction was noted to be conventional rafters at 600 centres adjacent to the Service Cores. There is a steel frame section visible in part to support the roof structure and water tanks. Where seen the roof is covered with untearable felt to all sections.

To the main pitched roof sections to the offices, when tiles were lifted there is a TDA truss rafter roof which is felted. Where inspected sections were noted to be satisfactory, albeit there is some deterioration to felt visible where roof vents are formed and some making good work will be necessary. Laid over the top of the suspended ceiling is a 100mm layer of insulation quilt which does not provide modern standards.

We noted that certain fire curtains having been provided to compartmentalise the property. If it is your intention to sub divide the property further or indeed sublet part it may be that further compartmentalisation will be required.

We would draw attention that not all internal partitions are built up to the underside of the roof and therefore noise will transmit over between offices. This will be particularly noticeable in the glazed offices that have been formed.

Depending on how you are going to lay out the building it may be that additional sound partitions will be required above roof line.

Gutters and Downpipes

The gutter installation is black plastic with matching box section downpipes.

The entire installation has reached the end of its lifespan and requires to be replaced.

When replaced we would advise that all drain runs be tested to the storm drainage installation.

External Joinery

Due to the roof design there is a large overhang of soffit to the roof construction. The fascia and soffits are of softwood timber construction. The decorative condition to all is extremely poor and requires immediate attention.

There are also areas where sections of soffit line have become detached and will require repair prior to decoration.

It is interesting to note that the adjoining property, which has been refurbished, has retained both the fascia and soffit having been redecorated and provides a satisfactory finish.

Alternatively one could clad the underside of the soffit line and fascia with UPVC to reduce maintenance liabilities.

Windows

The windows throughout are hardwood in a modular form known as H windows; these appear to be the genuine version of what is a good quality window. They are assembled in groups of two, three and four, with one group of five and corner windows. There are three groups where they are combined with a door.

The windows are fully opening with top hung style sashes but mounted on a side stay mechanism with limiter and are reversible for cleaning.

Double glazing appears to be 16mm sealed units; no evidence of any safety/security glazing was seen.

The sashes are fitted with a central lever handle with espagnolette bolts; the handles are non-locking but each sash is fitted with a Yale swing lock secured by Allen key.

Exterior inspection of the windows revealed they are in substantially good condition, with no clear sign of wet rot. On the sheltered north side it was clear that there had been no use for some years from a covering of cobwebs and all of the windows are dirty needing a thorough clean of the glass and frames inside and out, plus in the rebates.

Particularly on the West side, probably where glazing units have been replaced, a number of the metal cover trims at the bottom of those units are loose, missing or have missing screws; to a lesser degree this also occurs on the South side.

The stained finish on the North and East faces of the windows is as would be expected, comparatively good, although strangely one half of a corner window in the entrance court has been grey painted similar to what has been done at York House. It is unclear if this was an experiment or if it conceals damage.

The South and West facing windows are suffering from various degrees of surface cracking with degradation of the stained finish, more so where not sheltered by the eaves.

Whilst a good proportion of the frame mastic is sound, some of the lower areas are deteriorating again where more exposed to the weather.

In general there is minimal damage or defect in the woodwork; the corner joints have opened but not misaligned, there is a notable split at the end of one cill and the base of a mullion was chipped.

No attempt was made to unlock the windows, but a number of those already un-locked were opened around the building; all opened freely, there was some side contact in closing but all operated easily.

The restrictor catches are released by pushing a plastic slide up on one side a number were tried and functioned; reversing was not attempted given that it is unlikely to have ever been used on this single storey building and the lack of recent use. On one of the opened windows, on the West side, the restrictor catch welded to the stay was missing.

We have not considered any of the various blinds attached to the windows.



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A significant issue with double glazing is failure of the units, currently these are usually only guaranteed for ten years. This is best seen from inside, where it was found that 20 units had definitely failed and 5 or 6 are suspect; this will be clearer when they are cleaned. Some units have certainly been replaced on the South and West sides, one notably being in a tinted glass. That would preferably be done at least on a room by room basis rather than individually.

Doors and Screens

Associated with the windows are three fully glazed entrance screens and three personnel/exit doors all originally in matching red hardwood.

The screens are in internal corners, one face incorporating a pair of outward opening doors, otherwise divided by vertical mullions and mid rails to fixed lights. The mid rail incorporates a letter plate to each.

Other than degrading finishes as before, the only issue with the timber screens is that one leading door in the Southwest corner of the courtyard is warped; this appear to have been used for access at some time, having two dead locks, a cylinder mortise lock and a mechanical code lock; the opposite door has just the original cylinder mortise lock. We did not have access to open these doors.

One set of doors and associated side lights in the Southeast corner of the courtyard, currently the main entrance has been replaced in brown powder coated aluminium, with a similar pair of doors fitted with cylinder deadlock and magnetic release latch. Again the letter plate is in a screen mid rail. The only issue is in the appearance of the large projecting aluminium threshold, which seems more incongruous than the original concrete. The lower flank fixed lights are obscure glazed

On the West and South elevations are three personnel/Exit doors integrated with the windows; as such they are tall and although not noted, would be prone to warping. Clearly those on the South side have been well used for access with surface damage to the wood work from keys, one has an electronic code lock in addition to the cylinder mortise, a protective plate, bent pull and worn frame edge. This door is approached by steps due to the slope of the car park, it was noted that the edges of the windows have been fitted with hazard tape as there is a potential collision problem. The other has just a 5 lever mortise and pull; that to the West appears only to have been used as an exit with just the thumb turn mortise.

In addition externally there are four sets of low level louvered top hung traps set in the wall, these each have three lift up sections, originally secured with budget locks, now corroded. These give access to Water, Electricity and Gas service connections, one set being an empty dummy. These do not fit very well, i.e. they bind and have some damage to the louvres where these are used as pulls for opening. They are somewhat inconvenient as they have to be held up to reading the meters and would have better been side hung.

Interior doors

There are three styles of interior doors.

The present main entrance area and long office have oak veneered doors set in oak veneered shaped MDF frames. The doors have three styled small square porthole vision panels; these would not comply with current DDA vision requirements. They are fitted with mortise latch/locks, stainless steel lever handles and kick plates mounted on one and a half



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pairs of stainless ball bearing butts per leaf. The moulded frames have a small protective kick strip to match the doors.

One door and a half was locked and most of the doors bind to a degree, either on the frame or the floor. Some, but not all of this problem may be due to the long term lack of heating raising moisture levels.

The pair into the large office clash and the leading door closer is poor, plus one hinge has lost the bearing cover.

One door frame is badly damaged, where cut to gain access into the server room, the locks are damaged and the levers missing. A minor chip in the veneer was noted to the office off the entrance lobby.

To the toilet block areas the doors are simpler being plain ash veneered in normal ash linings and stops with plaster shadow gaps. These function satisfactorily for the most part. One in the central toilet block binds noticeably on the jamb, and it can be seen that this has been eased before.

A number of the offices are formed with toughened glass screens with doors, mostly clear with manifestations, but some obscure. These have stainless steel pivots and lever latches with cylinder thumb locks. These all function satisfactorily, but two on the North East Corner do not have floor stops and have caused some wall damage.

Suspended Ceiling

The property has for the most part a lay in tile in a white aluminium trim which is original.

There are several stained tiles which indicates problems with the roof which is rather surprising taking into account that the roof is felted. It may be that water has penetrated through the ridge line and then runs down finding a hole in the felt. These are for the most part isolated. Where roof vents have been formed it is apparent rain penetration has occurred. We have mentioned flashing details require careful attention/replacement.

To certain of the ceiling tiles there is evidence of old partition lines having been removed which has resulted in minor damage. For the most part the grid itself is intact with a few old fixing holes visible. Obviously if you remove internal partition lines this will exaggerate the position. The difficulty with a suspended ceiling is that if you start to patch repair, as they are of some age, there will be substantial difference in colour. It may be that you sacrifice certain sections of the tiling and replace large areas and then carry out replacement to one of the wings using the saved tiles.

Depending on funding arrangements it would be advantageous to replace all tiles and retain the lay in grid. At that time further insulation can be provided up to minimum 200mm deep.

There are some sections where ceiling tiles particularly around the perimeter have not been cut in, these have drooped and will require refixing. Additional sections of the grid may need to be introduced.

Floors

The floor can often be the least satisfactory part of the survey particularly where a property is fully carpeted and partly furnished.

The floor construction throughout comprises we believe a concrete substructure with screed finish. Laid into the screed is a galvanised metal tray system which provides a grid for the



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electrical and IT floor boxes. We would make the point that this grid is for the most hidden from view. There will be a requirement to repair the lids which are worn and damaged.

In addition around the perimeter of the building there is a ply topped duct which takes the central heating pipes. One has the advantage of being able to carry out repairs and the pipework being accessible.

The carpeting throughout the property is worn and has reached the end of its lifespan.

Within the central core area W.C's etc. there are ceramic tiled floors which are generally intact although grouting is dirty. Some tiling is cracked and all are showing their general age. Almost certainly you will be unable to replace any cracked tiles with matching tiles as they will be out of manufacture.

Additionally there are sections of flooring which have vinyl surfaces, to the Kitchenette and Kitchen areas. These are generally intact save the floor to the north western Kitchen which is heavily stained.

We would draw attention to the fact that the screed surface was visible to the boiler rooms to the service core areas and when inserting the probes of our moisture meter no readings were found.

Cupboards

There are some original cupboards related to the Toilet cores, we have not considered the other dividing cupboards as permanent. We have not inspected the Kitchen cupboards.

Each core has a pair of rebated double door cupboards one each of which is to a Kitchenette, these are ash veneered with the conventional linings, fitted with a mortise latch/lock plastic coated lever handles and cam action bolts.

At the east core the lead door on the Kitchenette binds, but can be closed, on the centre core, one lock and furniture is missing.

Internal Joinery

There are we believe Ash or similar skirting's with matching door frames.

Areas were found to be intact save there is requirement to make good along the line of the shadow gap.

Internally the windows have matching timber cills and linings to the frame which were generally found in reasonable condition save would benefit from redecoration.

There are 3 no. Kitchenettes formed adjacent to the Service Cores with sink, base and wall units. Certain doors are missing and all sections will require overhaul and refurbishment. In addition there are 2 no. further Kitchen areas to the west and eastern section. Generally speaking the units are functional but do require general overhaul and maintenance. The eastern Kitchen will require repair to base unit shelving where panels have been damaged due to water ingress.

Internal Finishes and Decoration

We have drawn attention to the fact that the majority of internal walls have a plastered surface which is generally intact. There are one or two areas which require minor repair and attention but these are not extensive.



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Internally the property requires complete internal redecoration to all plastered surfaces. With regards to skirting's and doors they are in original condition and careful preparation and sealing would prove beneficial.

Within the 3 no. Service Cores there is glazed tiling to walls and floors. We have made comment with regards to the floors.

The wall tiling is for the most part intact, there are old fixing holes in situ which require making good to the grout line.

Services

Mains water, electricity and drainage are connected to the property.

We have instructed a company to carry an Electrical Test and also a visual inspection of the Heating installation.

In addition we did note that there is a considerable amount of IT networking throughout the offices. We have assumed this will be removed and there is a cost to that. There are also various service poles within the open plan office areas which you may wish to retain. There are sections of dado trunking fitted which will require maintenance if retained. There are certain unsightly cable drops which require making good.

In addition to the central heating system there is a mechanical extract system which has not been tested, these vent into the roof vents.

Above each external door is a warm air curtain, we believe powered off the heating system but once again not tested.

There is an emergency lighting system throughout which will form part of the Electrical Test together with an integrated fire alarm system.

We believe that all external lighting will require replacement to the office building. The light units to the Car Park Bollards are original.

Foul Drainage

The foul drainage system serves the three toilet block, each with single male, female and disabled WCs together with a local sink in a cupboard. The Eastern end has an added Kitchen. No water was available for ready simple flow and leakage testing, thus this report is only visual.

The primary foul drain run in the Car Park on the Southern side comprising a run of moderate depth pre-formed circular polypropylene chambers with ductile iron covers. It is thus not possible to see the drain material, but there was nothing to indicate any problem. There is some contamination from sand washed out of the block paving under the covers and in the chambers; due to lack of use, the latter has not cleared.

This run discharges in to the adjacent Foul water Sewer.

There is a further drain run on the East side, with a single chamber, discharging as before.

A chamber could not be found as would be expected on the West side; this is possibly buried in the bank; there is a 100mm connection in the foul sewer.

The second foul drain through the Car Park has been termed a sewer, as although the plan seen shows 150mm this appears to be 225mm, which has a much larger capacity; this sources from beyond the buildings, bending towards the North West probably at least from the school site opposite, but does not appear to be much used. The large circular concrete chambers are approximately 2.4m deep, fully benched and in good condition, with ductile iron covers labelled FW.

Surface Water Drainage

Surface water drainage comprises two polypropylene chambers on the West side and Northwest corner running in opposite directions, primarily it is believed these drain the base of the bank, but also pick up the roof water. The run to the North side enters a deep chamber at the Northeast corner; it is unclear, but this probably bends into the Front Car Park. The run to the South connects to a surface water sewer, running parallel to the foul at about 1.8 m depth, with large rectangular chambers and ductile iron covers. This main run is believed to pick up the roof water and the car park gullies.

This sewer also appears too large to just serve this top end of the site.

A branch appears to serve some of the road between buildings.

There is a separate sewer run on the North side with a deep chamber in the access; this has a 300mm pipe, far too large for just the North side, front car park and courtyard, which it appears to serve. There is a circular chamber north of the forecourt in the Car Park, clearly on this run and collecting several 150mm branches; this chamber has water in the base and appears badly formed. It is suspected that significant ground water was encountered here during construction.

There is what appears to be an entirely separate surface water drain in the Car Park immediately West of the building; the chamber is 3.5 metres deep with ladder access and with approximately 500mm and 100mm pipes turning Southeast to West, possibly a former ditch.

External Areas

The boundaries for the most part are not defined, there are sections of hedgerow which is a maintenance liability together with grassed areas.

The car parking is finished with concrete block paviors in reasonable condition save the markings are badly worn.

Giving access into the front main entrance courtyard is a concrete path. Sections have settled badly and require reinstatement. The mortar pointing is generally weathered and requires making good.

The front courtyard area is overgrown with weeds and requires substantial cultivation.

At the rear of the property there is a timber hit and miss fence on concrete posts which has signs of damage. The decorative condition is poor. There is a requirement to replace certain panels and all remaining sections require careful preparation and re-staining. The concrete spurs will also require decoration.

To the west at the rear of the building there is a further car parking area, here the block paviors have settled quite badly in one or two areas and some careful lifting and relaying would benefit. The bin store for the most part is in reasonable condition save there is evidence of rotten timbers to the gate frame which will require repair. The southern boundary to the western section has a considerable amount of ivy growth attached to it from one of the

neighbours property's which we would ideally like to see removed. Hidden behind this we believe there are further damaged fence panels.

To the car park areas at the rear there are lampposts with circular lamps. The posts themselves require redecoration and almost replacement of the lamps are required. One can see that they have been replaced to the remainder of the Estate.

Summary

To summarise the property we can say that the office building was built to high standard and level of finish when constructed.

The principal issue is that very little in the way of general maintenance and repair has been carried out in the last 5 year period. The time has come where fairly large scale remedial works are required, the cost of which have not been underestimated.

We would advise that you take account of the following:

1. Overhaul of the roof cladding is required, replacement of both the missing tiles and repointing of ridges.
2. A complete overhaul of all air vents and clock tower is necessary. There are areas of rotten joinery, missing roof coverings and defective flashing details.
3. The windows externally require complete redecoration. There are also blown sections of glass which will require replacement.
4. Repairs are required to front patio areas, boundaries and fence lines.
5. Complete internal redecoration is required to all areas.
6. Large sections of the suspended ceiling tiles will need to be replaced due to past water staining. As we discussed areas need to be sacrificed with new ceiling tiles inserted and the saved tiles used elsewhere.
7. We have had separate tests of the Heating and Electrical installation and would draw attention to comments contained in their report.
8. Sections of the car park at the rear require relaying.
9. The gutter installation requires renewal.
10. The carpet throughout requires replacement.
11. The external Fascias and Soffits require overhaul and repair prior to redecoration.
12. Repair to rear fence line.

We must point out that in making a survey of the general state of repair of a building, obstacles are met which prevent such a survey being a complete one. Foundations are concealed, as are also floor and ceiling joists, the woodwork of lath and plaster partitions, built in timbers and the rear parts of eaves, window and door frames, etc. The interior of chimney flues are impossible to examine. The roofs cannot at all times be closely inspected and the defects in exposed woodwork are also liable to be hidden by paint, etc.



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We would particularly draw your attention to the fact that we have not inspected the woodwork or other parts of the structure which are covered, unexposed or inaccessible, and we are therefore unable to report that any such part of the property is free from defect.

Furthermore we must stress that we have not carried out any investigation to determine whether High Alumina Cement was used during the construction of the buildings inspected and we are therefore unable to report that the buildings are free from risk in this respect. In view of the possible potential danger connected with High Alumina Cement Concrete, we strongly recommend that the appropriate investigations, inspections and tests be carried out immediately by a suitably qualified engineer.

The best endeavours are made under the circumstances existing to determine the state of the building, but this report must be accepted subject to the conditions indicated.

We trust this report gives you sufficient information but we shall be pleased to elaborate on any of the items mentioned should you wish us to do so.


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On behalf of Nash & Partners Ltd