

## **Draft Heads of Terms of leasehold agreement for the Unity Centre, Northstowe**

### **1. Landlord**

South Cambridgeshire District Council

Country of incorporation/registration: United Kingdom

Registered office address: South Cambridgeshire Hall, Cambourne Business Park,  
Great Cambourne, Cambridge, CB23 6EA

### **2. Tenant**

[NAME]

[Trading as: [TRADING NAME]]

Country of incorporation/registration:

Company number:

Registered office address:

### **3. Guarantor**

[NAME]

Country of incorporation/registration:

Company number:

Registered office address:

### **4. Property**

4.1 A plan is attached showing the property edged in pink.

4.2 The Tenant will have the right to use 9 car park spaces on The Green, within the area to be transferred.

### **5. Term**

5.1 The lease will be for a term of 99 years beginning on [DATE]

5.2 The lease will exclude the security of tenure provisions of Part II of the Landlord and Tenant Act 1954.

5.3 The Tenant will have the right to break the lease at the end of the first 10 year term, provided the Tenant has in all material respects complied with its obligations in the lease. To exercise the right to break, the Tenant must give the Landlord 12 months' prior written notice.

## **6. Rent and rent review**

6.1 The rent will be £1, exclusive of VAT, rates, service charges, insurance premiums and all other outgoings.

6.2 In addition to rent, the Tenant must also pay VAT (including any VAT on the rent), rates, service charges, insurance premiums and all other outgoings.

6.3 The Tenant will permit the Landlord use of dedicated space (primarily for the use of community development officers associated with the development) within Unity Centre at no charge for a period of ten years.

6.4 There will be no rent-free period.

## **7. Rent deposit**

7.1 The Tenant will pay a rent deposit of £5,000, which will be held by the Landlord.

7.2 The deposit will be repaid to the Tenant when it assigns the lease with the Landlord's consent or at the end of the Lease term.

## **8. Services and service charge**

8.1 The Tenant will pay a service charge. The amount will be calculated as a fair proportion of the total expenditure.

## **9. Insurance**

The Landlord will insure the estate, including the property and on demand the tenant will refund a fair proportion of the total premium. The Landlord will extend its insurance to terrorist risk (as long as that insurance is available on reasonable terms).

9.1 The Landlord and the Tenant will be able to terminate the lease if the property is damaged or destroyed by an uninsurable risk so that the tenant cannot occupy the property.

## **10. Use**

- 10.1 The property can only be used as a community centre, catering for all sections of the Northstowe community.

## **11. Assignments and underleases**

- 11.1 The Tenant can assign the lease with the landlord's prior written consent, which cannot be unreasonably withheld. The Tenant will always be required to give an authorised guarantee agreement in respect of any assignee of the lease. Any Assignee must have a community purpose.
- 11.2 The tenant can underlet parts of the property, the parts which may be underlet include (a) the commercial kitchen and café area and (b) any other parts of the property, with prior approval of the Landlord (providing the community purpose of the property is maintained), which cannot be unreasonably withheld.
- 11.3 The Tenant can share occupation of the property with any company in the same group of companies as the Tenant.

## **12. Repair**

- 12.1 The lease will be a full repairing lease with the tenant responsible for all maintenance and repairs .
- 12.2 The Tenant will not be obliged to repair damage caused by an uninsurable risk.

## **13. Alterations**

- 13.1 The Tenant can make structural or external alterations to the property with the Landlord's prior written consent, which cannot be unreasonably withheld.
- 13.2 The Tenant can make internal alterations to the property, including the garden area, with the Landlord's prior written consent, which cannot be unreasonably withheld.
- 13.3 The Tenant can put up signs on the outside of the property or that would be visible from the outside of the property with the Landlord's prior written consent, which cannot be unreasonably withheld.

#### **14. Tenant's fitting out works**

- 14.1 The Tenant must obtain the Landlord's written consent before carrying out any fitting-out works to the property. The Landlord requires copies of the drawings and specification showing the proposed fitting out works as soon as possible.
- 14.2 The Tenant will be responsible for fitting-out the commercial kitchen (which is separately metered).
- 14.3 All loose furniture, fixtures and equipment is to be provided by the Tenant.

#### **15. Landlord's works**

The Landlord will carry out the following works to the property prior to the grant of the lease:

- All floor coverings
- Community kitchen fit-out
- Sinks to the "messy play" room
- NHS space to prescribed NHS standard
- Reception desk
- Hearing loops
- Partition to main hall

#### **16. Conditions**

The grant of the lease will be subject to the following:

- 16.1 The Tenant must ensure that
- (a) the Property is not used for any purpose illegal under UK law
  - (b) the Property is not used in a manner that would cause loss, damage, injury, nuisance or inconvenience to the Landlord or any property that neighbours the Property
- 16.2 The Landlord will be invited to undertake annual monitoring to ensure that the property
- (a) continues to be used for the benefit of the community as set out in Section 10

(b) provides acceptable levels of continued community use

(c) the asset continues to be maintained as per Section 12.

16.3 Should failings be identified with respect to adherence to these Conditions, resolution will be sought by the Landlord.

16.4 Should the Tenant fail to comply with the Conditions detailed in this agreement and where there is a persistent failure to remedy any failings identified over a five-year period the tenant will be required to forfeit the lease, and the Landlord will recover the property without recompense for any works or investment made in the property by the tenant.

**17. Costs**

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

**18. Conveyancers**

18.1 The Landlord's conveyancer is [NAME AND ADDRESS], for the attention of [NAME].

18.2 The Tenant's conveyancer is [NAME AND ADDRESS], for the attention of [NAME].