

DATED

3rd June

1988

236 4/8 80

3

ROTHER DISTRICT COUNCIL

and

JEWSON LIMITED

LEASE

Premises on the North West side of Beeching Road
for a term of 125 years
commencing on the 25th day of March 1988

Rent £10,750 p.a. to 24th March 1993
thereafter reviewed every 5 years

T.J. Elliott
Solicitor
Rother District Council
Town Hall
Bexhill-on-Sea
East Sussex TN39 3JX

NRAW17

2540-87
 THIS LEASE is made the 14th day of June

THOUSAND SEVEN HUNDRED AND FIFTY POUNDS (£10,750.00) and

(a) During the first five years of the term the yearly rent of TEN

of March 1988 for the term of 125 years YIELDING AND PAYING therefor

clause 3 hereinafter referred to TO HOLD unto the tenant from the 25th day

(hereinafter called "the demised premises") but except and reserved as in

buildings thereon more particularly described in the first schedule hereto

unto the tenant all that piece or parcel of land together with the

the part of the tenant hereinafter contained the Council hereby demises

1. IN consideration of the rents hereinafter reserved and covenants on

WITNESSETH as follows:-

NOW THIS DEED

is registered at H.M. Land Registry under Title Number SX120455

3. The benefit of the Old Lease is now vested in the Tenant whose Title

registered at H.M. Land Registry under Title Number SX120455

2. The reservation immediately expectant on the term of years demised by

the Old Lease is now vested in the Council and is with other land

registered at H.M. Land Registry under Title Number SX120455

December 1968

1. By a Lease ("the Old Lease") made the 20th January 1970

between Bexhill Borough Council (1) and E.R.

(2) part of the premises demised by this Lease

Bones and Sons Limited for the term of 99 years from the 25th day of

WHEREAS

the context so admits include its successors in title

shall

the time being entitled to the reversion immediately

which expression shall where the context so admits

Bexhill in the County of East Sussex (hereinafter the Council)

hundred and eighty-eight BETWEEN KOTHER DISTRICT COUNCIL of Ton

One thousand

the time being entitled to the reversion immediately

which expression shall where the context so admits

determination of the term hereby created) of the one part and

LIMITED whose registered office is at Villiers House

shall

the context so admits include its successors in title

her part



- (b) for the next five years and for each succeeding period of five years thereafter such rent as shall have been agreed between the Council and the Tenant or determined as hereinafter provided by the second schedule hereto

2. THERE is excepted and always reserved out of this demise:

- (1) To the Council all mines and minerals (including in this expression sand and gravel)
- (2) To the Council its successors in title and their lessees of adjacent land the free passage and running of water soil gas electricity and other services as now used and enjoyed from or to other buildings and land of the Council its successors in title or their lessees as aforesaid through the mains pipes sewers drains channels and cables in or under the Demised Premises and together also with the right for the Council and its agent and all other persons lawfully authorised with or without workmen and others at all reasonable times to enter upon the Demised Premises or any part thereof for the purpose of inspecting maintaining repairing and renewing any main pipe sewer drain channel manhole stopcock cable inspection chamber or similar apparatus the Council or such other persons as aforesaid making good all damage caused to the Demised Premises by reason of the carrying out of any such works
- (3) To the Council its successors in title and their lessees of adjacent land the full right and liberty at any time hereafter and from time to time to execute works erections and additions or to alter and rebuild any of the buildings from time to time erected on its or their adjoining and neighbouring lands and to use its or their adjoining and neighbouring lands and buildings in such manner as it or they may think fit notwithstanding that interference may thereby be caused to the access of light and air to any building for the time being erected on the Demised Premises

3. THE Tenant hereby covenants with the Council as follows:

- (1) To pay the rents hereby reserved by four equal quarterly instalments on the usual quarter days
- (2) To pay all outstanding and future rates taxes assessments duties charges and outgoings payable by law in respect of the Demised Premises and any buildings at any time erected on the same either by the owner or occupier thereof excluding any payable by the Landlord occasioned by any disposition of dealing with or ownership of the reversion of this Lease
- (3) Not to build or permit or suffer to be built or erected any building or erection on the Demised Premises or to make any alterations or additions to any buildings on the Demised Premises except with the consent in writing of the Council (such consent not to be unreasonably withheld except in the case of any building works which would have the effect of increasing the cubic content (as ascertained by external measurement) of the total of the buildings on the Demised Premises by more than fifteen percent above the cubic content of the buildings on the Demised Premises at the commencement of this Lease together with any additional buildings or additions to any buildings permission for the erection of which is hereby granted for a period of time greater than six months) and in accordance with plans previously submitted to and approved by the Council (such approval not to be unreasonably withheld except as aforesaid) as evidenced in writing by the Council's Chief Technical and Environmental Services Officer and to pay to him his professional charges therefor in accordance with the scale for the time being prescribed by the Royal Institute of Chartered Surveyors
- (4) In the execution of any of the works referred to in the last foregoing sub-clause to conform at its own expense to all of the provisions of any statute statutory instrument order byelaw or regulation which is applicable thereto and without prejudice to the generality of the foregoing in particular

- (i) to obtain all licences approval of plans permissions and other things necessary for the execution of the works and to comply with the regulations byelaws and other matters prescribed by any competent authority either generally or in respect of the specific works to be undertaken
 - (ii) upon request by the Council to produce to it or its authorised agent all such notices permissions consents licences receipts and other written documents in any way relating to the said works and to allow the Council or its agent to make copies thereof
- (5) To remove any erection or other works made without the previous consent in writing of the Council or in respect of which the permission of the competent authority is withdrawn or lapses and comply with every such order of such authority requiring the removal or demolition of or other work in connection with such erections or other works and in all such cases to make good all damage caused by such removal demolition or other work and restore all parts of any buildings on the Demised Premises affected thereby to a good and tenantable condition
- (6) To repair and keep the exterior and interior of the buildings now on the Demised Premises and all additions thereto and all other buildings at the time erected and standing thereon and the walls fences drains and appurtenances thereof in tenantable repair and to yield up all the said buildings together with all the Council's fixtures in such repair as aforesaid at the determination of the tenancy
- (7) Not without the Landlords prior written consent (such consent not to be unreasonably withheld) to use the buildings on the Demised Premises otherwise than as a Timber and Builders Merchants with ancillary retail sales

- (8) Not to do or permit or suffer to be done anything in or upon the said Demised Premises or any part thereof which may be or become a nuisance annoyance or cause damage or inconvenience to the Council or the tenants of the Council or the neighbourhood or whereby any insurance for the time being effected on the Demised Premises may be rendered void or voidable or whereby the rate of premium thereon may be increased
- (9) Not to affix or otherwise display (nor permit or suffer to be affixed or displayed) to or upon any part of the Demised Premises any advertisement or notice board without the consent in writing of the Council (such consent not to be unreasonably withheld or delayed)
- (10) To permit the Council and its duly authorised agents with or without workmen and others upon giving one week's previous notice in writing at all reasonable times of the day to enter upon the Demised Premises to examine the condition of the same and to ascertain that there has been and is no breach or non-compliance by the Tenant of or with its several covenants herein contained and further that if the Council shall serve upon the Tenant notice in writing specifying the repairs necessary to be done by the Tenant in order to comply with its covenants herein contained and if the Tenant shall not within forty days after the service of such notice proceed diligently with the execution of such repairs then the Tenant shall permit the Council to enter and execute such repairs the cost whereof shall be a debt due from the Tenant to the Council and be forthwith recoverable by action
- (11) To permit the Council or its successors in title owners or occupiers for the time being of any property now or hereafter adjoining the Demised Premises and their duly authorised agents with or without workmen and others upon giving one week's previous notice in writing (in the event only that there is no other reasonably practicable alternative to such entry) to enter upon the Demised Premises for the purpose of effecting additions alterations or repairs to the said

adjoining property they making good all damage and taking all reasonable precautions to minimise disruption and interference to the Tenants business

- (12) To pay a fair proportion (to be conclusively determined so long as the reversion immediately expectant upon the term hereby created remains vested in the Council by the Chief Technical and Environmental Services Officer for the time being of the Council and in respect of any other person in whom the immediate reversion may become vested by such surveyor as that person may appoint for the purpose) of the expenses payable in respect of repairing renewing cleansing and lighting all party walls fences sewers drains roads pavements and other things the use of which is common to the Demised Premises and other premises
- (13) Within one month of every assignment assent transfer or underlease (otherwise than by way of mortgage) of or relating to the Demised Premises or any part thereof to give notice thereof in writing with particulars thereof to the Solicitor for the time being of the Council and produce to him such assignment assent transfer or underlease or in the case of a devolution of the interest of the Tenant not perfected by an assent within twelve months from the happening thereof to produce to the said solicitor the probate of the will or the letters of administration under which such devolution arises and to pay to him a registration fee of ten pounds in respect of such assignment transfer assent underlease or devolution
- (14) At all times during the said term to keep the said Demised Premises and all other buildings or erections which during the said term may be upon the Demised Premises insured in the joint names of the Council and Tenant from loss or damage by fire flood and other risks and special perils normally insured under a commercial comprehensive policy in some insurance office approved by the Council's Treasurer in the amount from time to time determined by the Council's Treasurer

or in a sum equal to the full insurable value thereof from time to time throughout the said term together with architects' and surveyors' fees and two years' rent and to make all payments necessary for the above purposes immediately the same shall become payable and to produce to the said Treasurer or his agent on demand the several policies of such insurance and the receipt for every such payment

- (15) As often as the Demised Premises and any other buildings or erections on the Demised Premises shall be destroyed or damaged as aforesaid forthwith to rebuild and reinstate the same under the direction and to the reasonable satisfaction of the Chief Technical and Environmental Services Officer for the time being of the Council it being hereby agreed that all monies to be received by virtue of any such insurance as aforesaid (save monies if any received in respect of loss of rent) shall be applied so far as the same shall extend in so rebuilding and reinstating the Demised Premises or other buildings or erections in accordance with the then existing statutory provisions byelaws and regulations affecting the same and in accordance with any planning or other approval which may be necessary (which it shall be the Tenant's obligation to obtain) and that in case the said monies shall be insufficient for that purpose the tenant shall make up the deficiency out of its own monies PROVIDED that if the rebuilding or reinstatement of the building or any part thereof shall be frustrated all the insurance monies relating to such building or part in respect of which the frustration occurs shall be apportioned equally or as may be otherwise agreed between the Council and the Tenant
- (16) Not to do or permit or suffer to be done in or in connection with the Demised Premises anything in contravention of the provisions of the Town and Country Planning Acts and to keep the Council indemnified from and against all actions costs claims demands and liability in respect of any such contravention

- (17) Not to erect on the Demised Premises any building or other erection (permission for which has been granted in accordance with the foregoing provision) in advance of the building line (if any) shown on the said plan
- (18) Not to erect plant or suffer to remain upon the Demised Premises or any part thereof any boundary walls fences or hedges (except those already erected or planted and permitted by the Council) unless the nature and particulars thereof shall have been previously approved of by the Council in writing (such approval not to be unreasonably withheld)
- (19) Forthwith to notify the Council of any notice order requisition direction or other thing from a competent authority affecting or likely to affect the Demised Premises whether the same shall be served directly on the Tenant or the original or a copy thereof be received from any underlessee or other person whatsoever and so far as such notice order requisition direction or other thing or the Act Regulations or other Instrument under and by virtue of which it is issued or the provisions hereof properly require it so to do to comply therewith at its own expense and to keep the Council indemnified from and against all actions costs claims demands and liability in respect thereof
- (20) To pay all expenses (including Solicitor's costs and Surveyor's fees) incurred by the Council incidental to the preparation and service of a notice under section 146 of the Law of Property Act 1925 notwithstanding forfeiture is avoided otherwise than by relief granted by the Court
- (21) At the determination of the said term to yield up to the Council the Demised Premises and all fittings and Council's fixtures therein in tenable repair in accordance with the Tenant's covenant herein contained

(22) To comply fully with the Town and Country Planning Act 1971 as amended and the rules regulations and orders made under it or continued by it as they may apply from time to time and obtain any necessary permission or consent thereunder before undertaking any development or displaying any advertisement for which such permission or consent may be required.

4. THE Council hereby covenants with the Tenant that the Tenant paying the rents hereby reserved and performing and observing the covenants on the part of the Tenant and the conditions herein contained shall peacefully hold and enjoy the Demised Premises during the said term without any interruption by the Council or any person rightfully claiming under or in trust for the Council

5. PROVIDED always and it is hereby agreed and declared as follows:

(1) If the rents hereby reserved or any part thereof shall remain unpaid for twenty-one days after becoming payable (whether formally demanded or not) or if any covenant on the Tenant's part herein contained shall not be performed or observed the Council may at any time thereafter re-enter upon the demised property or any part thereof and thereupon this demise shall absolutely determine but without prejudice to the right of action of the Council in respect of any arrears of rent or any breach of covenant

(2) Any consent determination or notice in writing require to be given by the Council shall (so long as the reversion immediately expectant on the term hereby created shall remain vested in the Council) be given as the Council may elect either under the common seal of the Council or under the hand of the Chief Executive and Clerk for the time being of the Council and subject thereto may be given by the duly authorised agent of the Council and any notice to the Council shall (so long as aforesaid) be sufficiently served if sent by recorded delivery post and addressed to the said Chief Executive and Clerk at the Town Hall Bexhill-on-Sea East Sussex and any notice to the Tenant shall be sufficiently served if left or sent by recorded delivery post to it at the Demised Premises

- (3) No estate or interest in the soil of the road or roads or footpaths adjacent to the Demised Premises is or shall be deemed to be included in the demise hereinbefore contained
- (4) The expression "the Town and Country Planning Acts" shall include any Act or Acts for the time being in force amending or replacing the same and any order plans regulations permissions consents and directions made under or in pursuance of the said Acts or any of them
- (5) The Old Lease is surrendered contemporaneously with the grant of this Lease.
- (6) The Council hereby consents to the Tenant carrying out the building works described in the Third Schedule hereto.

IN WITNESS whereof the Council and the Tenant have hereunto affixed their Common Seals the day and year first before written

THE FIRST SCHEDULE

ALL THAT piece of land situate on the North West side of Beaching Road Bexhill aforesaid comprising 1.47 acres or thereabouts as the same is for identification only delineated on the plan annexed hereto and thereon edged red together with the buildings erected thereon

THE SECOND SCHEDULE

Provisions Governing Rent Reviews

1. In this lease "review date" means the 25th day of March in the year 1993 and in every fifth year thereafter and "review period" means the period starting with any review date up to the next review date or starting with the last review date up to the end of the term hereof
2. The yearly rent shall be:-
 - (A) until the first review date the rent of Ten Thousand Seven Hundred and Fifty Pounds (£10,750.00) and
 - (B) during each successive review period a rent equal to the rent previously payable hereunder or such revised rent as may be ascertained as herein provided whichever be the greater

3. Such revised rent for any review period may be agreed at any time between the Council and the Tenant or (in the absence of agreement) determined not earlier than the relevant review date by an arbitrator such arbitrator to be nominated in the absence of agreement by or on behalf of the President for the time being of the Royal Institution of Chartered Surveyors on the application of the Council or the Tenant made not earlier than six months before the relevant review date but not later than the end of the relevant review period and so that in the case of such arbitration the revised rent to be awarded by the arbitrator shall be such as he shall decide is equal to (Twenty per cent) 20% of the yearly rent at which the demised premises might reasonably be expected to be let at the relevant review date

(A) On the following assumptions at that date:

(i) That the Demised Premises:

(a) are available to let on the open market without a fine or premium with vacant possession by a willing Landlord to a willing Tenant for a term of Ten (10) years or the residue then unexpired of the term of this Lease (whichever be the longer)

(b) are to be let as a whole subject to the terms of this Lease (other than the amount of the rent hereby reserved but including the provisions for review of that rent)

(c) are fit and available for immediate occupation

(d) may be used for any of the purposes permitted by this Lease as varied or extended by any licence granted pursuant hereto

(ii) That the covenants herein contained on the part of the Council and the Tenant have been fully performed and observed

(iii) That no work has been carried out to the Demised Premises which

has diminished the rental value and that in case the Demised Premises have been destroyed or damaged they have been fully

restored

(iv) That no reduction is to be made to take account of any rental concession which on a new letting with vacant possession might be granted to the incoming tenant for a period within which its fitting out works would take place

(B) But disregarding:

(i) any effect on rent of the fact that the Tenant its sub-tenants or their respective predecessors in title have been in occupation of the Demised Premises

(ii) any goodwill attached to the Demised Premises by reason of the

carrying on thereof of the business of the Tenant its sub-tenants or their predecessors in title in their respective businesses

4. IT IS HEREBY FURTHER PROVIDED in relation to the ascertainment and payment of revised rent as follows:-

(A) The arbitration shall be conducted in accordance with the Arbitration Acts 1950 and 1979 or any statutory modification or re-enactment thereof for the time being in force with the further provision that if the arbitrator nominated pursuant Clause 3 hereof shall die or decline to act the President for the time being of the Royal Institution of Chartered Surveyors or the person acting on behalf may on the application of either the Council or the Tenant by writing discharge the arbitrator and appoint another in his place

(B) When the amount of any rent to be ascertained as hereinbefore provided shall have been so ascertained memoranda thereof shall thereupon be signed by or on behalf of the Council and the

Tenant and annexed to this Lease and the counterpart thereof and the Council and the Tenant shall bear their own costs in respect thereof

- (C) (i) if the revised rent payable on and from any review date has not been agreed by that review date rent shall continue to be payable at the rate previously payable and forthwith upon the revised rent being ascertained the Tenant shall pay to the Council any shortfall between the rent and the revised rent payable up to and on the preceding quarter day together with interest on any shortfall at the base rate of National Westminster Bank plc such interest to be calculated on a day to day basis from the relevant review date on which it would have been payable if the revised rent had then been ascertained to the date of actual payment of any shortfall and the interest so payable shall be recoverable in the same manner as rent in arrear or as the case may be as a debt
- (ii) for the purposes of this proviso the revised rent shall be deemed to have been ascertained on the date when the same has been agreed between the Council and the Tenant or as the case may be the date of the award of the arbitrator
- (D) If either the Council or the Tenant shall fail to pay any costs awarded against it in an arbitration under the provisions hereof within twenty one days of the same being demanded by the arbitrator the other shall be entitled to pay the same and the amount so paid shall be repaid by the party chargeable on demand

THE THIRD SCHEDULE

Building Works

All those works described in the specification and the drawings number:

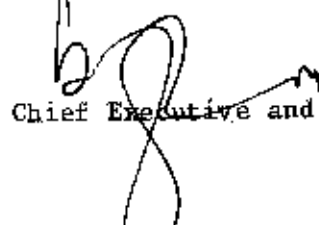
1. 87/W/0013 : 31 Rev A
2. 87/W/0013 : 24 Rev A
3. 87/W/0013 : 20 Rev B
4. 87/W/0013 : 14 Rev C
5. 87/W/0013 : 10 Rev B

A copy of which has been signed on behalf of both parties and is annexed hereto

THE COMMON SEAL of ROTHER DISTRICT)
COUNCIL was hereunto affixed in)
the presence of:-)



Chairman of the Council

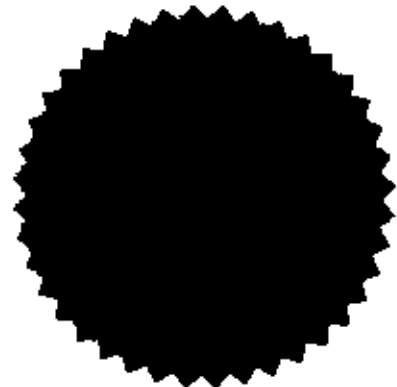


Chief Executive and Clerk

THE COMMON SEAL of JEWSON LIMITED)
was hereunto affixed in the)
presence of:-)

Director

Secretary



4533

H.M. LAND REGISTRY

LEASEHOLD TITLE REGISTERED
TITLE NUMBER ESX 146940

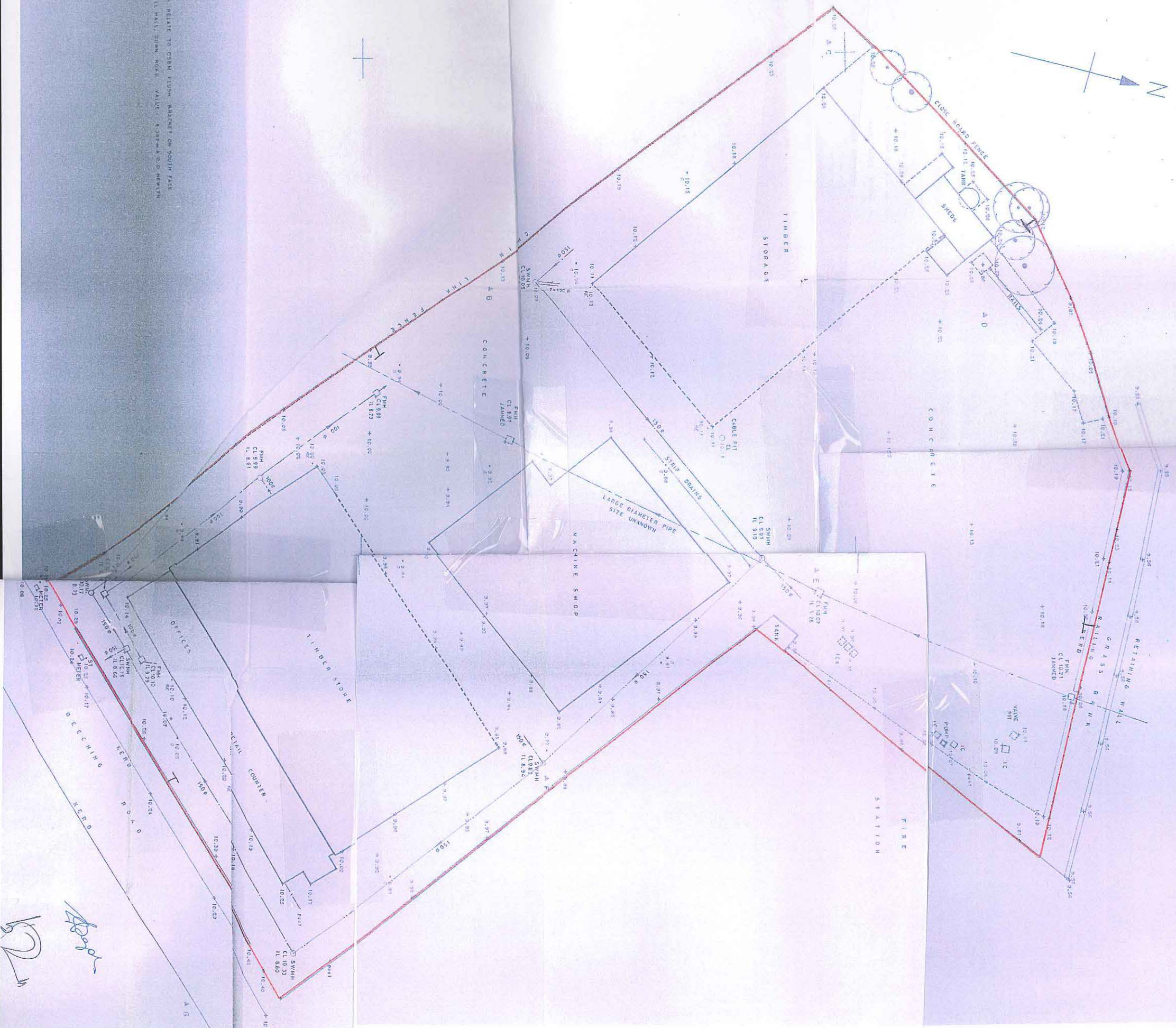
DAT
OPE

JEWSON'S YARD BEECHING ROAD BEXHILL
JEWSON'S

SCALE 1:200

HEET 1.D. JBEX/200
03 1.D. JBEX

50.000E
50.000N



Handwritten signature and date:
12/11