## C:\Documents and Settings\hartya\Desktop\ccc-logo.jpg

**Heads of Terms: Lease**

**SUBJECT TO CONTRACT & WITHOUT PREJUDICE**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **1.0 Initial Information** | | |  | | | | | | |
| **1.1 Property** | | | Land and buildings situated within the Pennine Way School Complex, shown for identification purposes only (subject to change) outlined in red on the attached plan extending to approximately 265m2. | | | | | | |
| **1.2 Landlord** | | | Cumbria County Council, The Courts, English Street, Carlisle CA3 8LZ  Contact Name:  E-Mail:  Telephone: | | | | | | |
| **1.3 Tenant** | | | Name:  Address:  Contact Name:  E-Mail:  Telephone: | | | | | | |
| **1.4 Rent** | | | £20,000 per annum | | | | | | |
| **1.5 Rent free Period**  **(and other Incentives)** | | | Not applicable. | | | | | | |
| **1.6 Type of Lease** | | | **Head Lease** | | | | | | |
| **1.7 Landlord’s initial works (including timing)** | | | N/A | | | | | | |
| **1.8 Tenant’s initial works (including timing)** | | |  | | | | | | |
| **2.0 Guarantor/rent deposits** | | | *None* | | | | | | |
| **3.0 Lease length, breaks, extensions and rights** | | |  | | | | | | |
| **3.1 Lease length and start date** | | | 6 years from the date of lease. | | | | | | |
| **3.2 Break clause** | | | Mutual (Landlord or Tenant) exercisable at the end of the 2 & 4th years  subject to 6 months prior written notice. | | | | | | |
| **3.3 1954 Act Protection** | | | *Does the lease have 1954 Act protection?* **NO**  Excluded from sections 24-28 of the Act | | | | | | |
| **3.3 Rights** | | | 1. Tenant - A right to access the Property with or without vehicles during normal business hours (Mon-Fri) over the area shown marked in green on the attached site plan. 2. Tenant - A right to park 5 cars within dedicated spaces in the Car Parking area shown hatched in green on the attached plan during normal business hours (Mon-Fri). The 5 car spaces will be individually marked/lined on site and colour coded. 3. Landlord - The landlord will have a right in common with others to use the Laundrette, Kitchen and staff room. 4. Tenant – Will have the right to use the area (buggy store) marked brown on the attached floor plan in common with others. | | | | | | |
| **4.0 Rent Reviews** | | | Annually to RPI  **RPI:** the Retail Prices Index as published by the Office for National Statistics. | | | | | | |
| **5.0 Assignment and subletting** | |  | |  |  | |  | |
|  | | **Prohibited** | **If not prohibited is CNUW** | | **Permitted without Consent** | |
| Assignment of whole | | **Yes** |  | |  | |
| Sub-Lease whole | | **Yes** |  | |  | |
| Sub-Lease part | | **Yes** |  | |  | |
| Sub-sub-Lease | | **Yes** |  | |  | |
|  | |  | | | | | | |
| **6.0 Services and service charges** | | **Service Charge**  A service charge will be levied based on gross floor area which will include: (list not exhaustive) see Repairing Obligations (7.1), Insurance, electric 5 year tests, annual gas servicing, water, legionella, asbestos register/ management plans (if appropriate), window cleaning (external).  **Utilities**  The Tenant shall pay all costs in connection with the supply of electric, gas, water sewerage, telecommunications data and other services and utilities to or from the Property | | | | | | |
| **7.0 Repairing obligations** | |  | | | | | | |
| **7.1 Repairing Obligations** | | The lease is to be effectively fully repairing and insuring via a Service Charge and the Tenant is to keep the Property and any of the Property not built upon in a good state of repair and decoration and clean and tidy at all times.  External repairs, maintenance and decoration, including shared access routes/pathways and car park – Landlords responsibility charged back via the service charge.  Internal repairs, maintenance and decoration – Tenant responsibility.  The tenant must replace from time to time any landlords fittings and fixtures in the Property that maybe or become beyond repair at any time during the term.  The tenant must decorate (internal) the Property in a good and workmanlike manner, with appropriate materials of a good quality, to the reasonable satisfaction of the landlord’s surveyor, in the 3rd and in the last 6 months of the term.  Statutory  The tenant must comply at their cost with all statutory requirements associated with the use of the Property. | | | | | | |
| **7.2 Collateral warranties** | | Not applicable | | | | | | |
| **8.0 Alterations, use & Tenant Status** | |  | | | | | | |
| **8.1 Alterations** | |  | | | | | | |
|  | | **Prohibited** | | **If not prohibited is CNUW** | | **Permitted without consent** |
| External | | **Yes** | |  | |  |
| External structural | | **Yes** | |  | |  |
| Internal structural | | **Yes** | |  | |  |
| Internal non structural | | **No** | | **Yes** | | **No** |
|  | | Upon termination of the lease the Tenant shall be responsible for the removal of any of the alterations to the property unless otherwise agreed in writing with the Landlord. | | | | | | |
| **8.2 Permitted use** | | For childcare for pre school and school aged children | | | | | | |
| **9.0 Insurance** | | The landlord to insure the Property and recharge the tenant via the Service Charge. | | | | | | |
| **10.0 Lease Management** | |  | | | | | | |
| **10.1 Dilapidations** | | The Tenant will be obliged to keep the Property fully repaired and decorated at all times. Should the Property fall into disrepair the Landlord will have the right to require the Tenant to put the Property into repair and if this is not actioned the Landlord will have a right to enter the Property and carry out any repairs and recover the costs from the Tenant as a debt. | | | | | | |
| **11.0 Other Issues** |  | | | | | | | |

|  |  |
| --- | --- |
| **11.1 Rates and Utilities** | The tenant will be responsible for business rates, surface water drainage costs, all utility bills and all costs associated with the Property. |
| **11.2 Legal Costs** | Each party to bear their own proper legal costs in this matter. |
| **11.3 Conditions** | 1. Subject to Contract.  2. Subject to Client Approval. |
| **11.4 General** | Planning - The tenant is to satisfy itself that the property has planning consent for the permitted use |
| **11.5 Landlord’s Solicitor** | Group Solicitor (Environment & Property)  Legal Services Unit  Cumbria County Council  The Courts  CA3 8LZ |
| **11.6 Tenant’s Solicitors** | TBC |
| **11.7 Timing and Other Matters** | ASAP |
| **11.8 No Contract** | **These Heads of Terms are subject to contract** |
| **11.9 Landlord’s Agent(s)** | Name:  Title:  Cumbria County Council  The Parkhouse Building  Kingmoor Park  Carlisle  CA6 4SJ  Tel 01228  E-mail |
| **11.10 Tenant’s Agent(s)** | TBC |
|  |  |
|  |  |
|  |  |

