4th March 2011

ORBIT GROUP LIMITED
(Exempt Charity) (1)

and

[redacted] **(2)**

Counterpart/ Newbuild Homebuy Lease (House) (Granted on Shared Ownership Terms)

of

[redacted]

Tel: 01926 886688
Fax: 01926 885588
Email: email@wrighthassall.co.uk

Wright Hassall LLP
Olympus Avenue
Leamington Spa
Warwickshire
CV34 6BF

LAND REGISTRY PRESCRIBED CLAUSES

LR1. Date of lease	[illegible] **2014**
LR2. Title number(s)	**LR2.1 Landlord's title number(s)** **NN193596** **LR2.2 Other title numbers** None
LR3. Parties to this lease	**Landlord** Orbit Group Limited (Exempt Charity) (Industrial & Provident Society Number 28503R) whose registered office is at Garden Court, Harry Weston Road, Binley Business Park, Binley, Coventry CV3 2SU **Tenant** [redacted] of [redacted]
LR4. Property	**In the case of a conflict between this clause and the remainder of this lease then, for the purposes of registration, this clause shall prevail.** As specified in Schedule 1 and Schedule 8 of this Lease and defined in this Lease as "the Premises"
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.** The land demised is held by or on trust for a charity by the Orbit Group Limited, an exempt charity **LR5.2 This lease is made under, or by reference to, provisions of:** None
LR6. Term for which the Property is	The term as specified in this Lease at Clause 2 and as

leased	defined in Schedule 8
LR7. Premium	£28,750.00
LR8. Prohibitions or restrictions on disposing of this lease	This lease contains a provision that prohibits or restricts dispositions.
LR9. Rights of acquisition etc.	**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** As specified in Schedule 5 **LR9.2 Tenant's covenant to (or offer to) surrender this lease** As specified in clause 5.7 **LR9.3 Landlord's contractual rights to acquire this lease** Not applicable
LR10. Restrictive covenants given in this lease by the Landlord in respect of land other than the Property	None
LR11. Easements	**LR11.1 Easements granted by this lease for the benefit of the Property** As specified in Schedule 2 **LR11.2 Easements granted or reserved by this lease over the Property for the benefit of other property** As specified in Schedule 3
LR12. Estate rentcharge burdening the Property	Not applicable
LR13. Application for standard form of restriction	**The Parties to this lease apply to enter the following standard form of restriction against the title of the Property:**

	"No disposition of the registered estate (other than a charge) by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the date of this restriction is to be registered without a certificate signed by the proprietor for the time being of the estate registered under title number NN193596 or signed on such proprietor's behalf by its conveyancer that the provisions of clause 3.20 of the registered lease has been complied with "

CONTENTS

PARTICULARS	
Commencement Date	1st January 2010
Initial Market Value	the sum of £115,000.00
Premium	See LR7 of the Prescribed Clauses
Initial Percentage	25%
Gross Rent	£3,162.50 per annum subject to review in accordance with Schedule 4
Specified Rent	A sum equal to the Unacquired Percentage of the Gross Rent (the Specified Rent on the date of this Lease being £2371.88 per annum
Review Date	1st April and each successive 1st April during the Term and the term the "Relevant Review Date" shall be construed accordingly
Specified Proportion of the Service Charge	One nineteenth (1/19th) of the Service Charge payable in respect of the Communal Facilities

DATED 4th March 2011

PARTIES

(1) Orbit Group Limited (Exempt Charity) whose registered office is at Garden Court, Harry Weston Road, Binley Business Park, Binley, Coventry CV3 2SU registered with the Tenant Services Authority under number L4123 and which is an Industrial and Provident Society registered under the Industrial and Provident Societies Act 1965 under number 28503R (the "Landlord")

(2) [redacted] of [redacted] (the "Leaseholder")

OPERATIVE PROVISIONS

1. DEFINITIONS AND INTERPRETATION

1.1 In this Lease the terms defined in the Particulars and in Schedule 8 shall have the meanings specified.

1.2 Any obligation on a party to this Lease to do any act includes an obligation to procure that it is done.

1.3 Where the Leaseholder is placed under a restriction in this Lease, the restriction includes the obligation on the Leaseholder not to permit or allow the infringement of the restriction by any person.

1.4 References to liability include, where the context allows, claims, demands, proceedings, damages, losses, costs and expenses.

1.5 The Clause and paragraph headings in this Lease are for ease of reference only and are not to be taken into account in the interpretation of any provision to which they refer.

1.6 The Key Information for Shared Owners set out in Appendix 3 is for information purposes only and is not to be taken into account in the interpretation of any provision of this Lease.

1.7 Unless the contrary intention appears, references:

1.7.1 to defined terms are references to the relevant defined term in the Particulars and Schedule 8

1.7.2 to numbered Clauses and Schedules are references to the relevant Clause in, or Schedule to, this Lease; and

1.7.3 to a numbered paragraph in any Schedule are references to the relevant paragraph in that Schedule.

1.8 Words in this Lease denoting the singular include the plural meaning and vice versa.

1.9 References in this Lease to any statutes or statutory instruments include any statute or statutory instrument amending, consolidating or replacing them respectively from time to time in force, and references to a statute include statutory instruments and regulations made pursuant to it.

1.10 Words in this Lease importing one gender include both genders, and may be used interchangeably, and words denoting natural persons, where the context allows, include corporations and vice versa.

1.11 Words and expressions which appear in the first column of the Particulars shall in this Lease have the meaning shown opposite them in the second column of the Particulars.

1.12 Where the Leaseholder is more than one person the covenants on the part of the Leaseholder shall be joint and several covenants

2. THE LETTING TERMS

In consideration of the Premium (receipt of which the Landlord acknowledges), the Specified Rent and the Leaseholder's covenants in this Lease the Landlord lets the Premises to the Leaseholder:

2.1 together with the rights set out in Schedule 2 and together with the rights; but

2.2 subject to the provisions set out in Schedule 5; and

2.3 except and reserved to the Landlord the rights set out in Schedule 3 ;

2.4 for the Term

the Leaseholder paying during the Term the Specified Rent (subject to revision under Schedule 4) by equal monthly payments in advance on the first day of each month, the first payment to be made on the date of this Lease.

3. LEASEHOLDER'S COVENANTS

The Leaseholder covenants with the Landlord as follows:

3.1 **Pay rent**

To pay the Specified Rent at the times and in the manner mentioned in Clause 2 and all other monies due under this Lease without deduction.

3.2 **Interest**

To pay interest calculated on a day to day basis at an annual rate of 3% above the Base Rate of Barclays Bank PLC for the time being in force on so much of the Specified Rent or any other monies due to the Landlord under this Lease that remain unpaid for a period of 14 days after becoming due for payment.

3.3 **Insurance premiums**

To refund to the Landlord on demand a fair and proper proportion attributable to the Premises, such proportion to be conclusively determined by the Landlord (who shall act reasonably) of the insurance premiums incurred by the Landlord in connection with the Premises.

3.4 **Outgoings**

3.4.1 To pay Outgoings.

3.4.2 To refund to the Landlord on demand (where Outgoings relate to the whole or part of property which includes the Premises) a fair and proper proportion attributable to the Premises, such proportion to be conclusively determined by the Landlord (who shall act reasonably).

3.4.3 To pay to the Landlord on demand a fair and proper proportion (to be conclusively determined by the Landlord (who shall act reasonably)) of:

(a) the expense of cleaning, lighting, repairing, renewing, decorating, maintaining and rebuilding any Communal Facilities; and

(b) the reasonable costs, charges and expenses incurred by the Landlord in connection with the provision, maintenance and management of the Communal Facilities

(c) an appropriate amount as a reserve for or towards the matters specified above as are likely to give rise to expenditure after such account year being matters which are likely to arise either only once during the then unexpired term of this lease or at intervals of more than one year provided that the amount to be calculated will be in such a manner that will ensure as far as is reasonably possible that the Service Charge shall not fluctuate unduly from year to year and be reduced by any unexpended reserve which has already been made

3.4.4 For the purposes of Clause 3.4.3, the provisions of sections 18 to 30B (inclusive) of the Landlord and Tenant Act 1985 and of Part V of the Landlord and Tenant Act 1987 shall apply.

3.4.5 To pay the management charge pursuant to the provisions of Schedule 7

3.4.6 To reimburse any administration costs incurred by or on behalf of the Landlord including but not limited to:

(a) The grant of approvals under this Lease or applications for such approvals;

(b) The provision of information or documents by or on behalf of the Landlord;

(c) Costs arising from non-payment of a sum due to the Landlord; and/or

(d) Costs arising in connection with a breach (or alleged breach) of this Lease.

3.5 **Repair**

To repair and keep the Premises in good and substantial repair and condition (except in respect of damage by risks insured under Clause 4.2 unless the insurance money is irrecoverable by reason of any act or default of the Leaseholder).

3.6 **Decoration**

As often as is reasonably necessary and in the last month of the Term in a proper and workmanlike manner (and in the last month of the Term in colours approved by the Landlord) to paint, paper, treat and generally decorate in a style appropriate to property of a like character all the inside and outside of the Premises previously or usually so painted, papered, treated and decorated.

3.7 **Provide floor coverings**

To provide carpets or such other suitable floor coverings to the floors of the Premises.

3.8 **Repair damage to Communal Facilities**

In respect of any damage or disrepair to the Communal Facilities caused or contributed to by any act, neglect or default of the Leaseholder or the Leaseholder's family, servants or licensees or by any other person under the control of the Leaseholder, at the option of the Landlord, the Leaseholder will on demand indemnify the Landlord in respect of all costs, charges and expenses incurred the Landlord in repairing, making good, renewing and/or reinstating such damage or disrepair.

3.9 **Not to alter**

3.9.1 Not to:

(a) make any alterations or additions to the exterior of the Premises;

(b) make any structural alterations or structural additions to the Premises;

(c) erect any new buildings on the Premises; or

(d) remove any of the Landlord's fixtures from the Premises.

3.9.2 Not to make any alteration or addition of a non-structural nature to the interior of the Premises without the previous written consent of the Landlord (such consent not to be unreasonably withheld).

3.10 **Comply with requirements of public authorities**

To execute and do at the expense of the Leaseholder all works and things as may at any time during the Term be directed or required by any national or local or other public authority to be executed or done upon or in respect of the Premises or any part of the Premises.

3.11 **Provide copies of notices**

Promptly to serve on the Landlord a copy of any notice, order or proposal relating to the Premises and served on the Leaseholder by any national, local or other public authority.

3.12 **Expenses of the Landlord**

To pay all costs, charges and expenses (including solicitors' costs and surveyors' fees) reasonably incurred by the Landlord:

3.12.1 for the purpose of or incidental to the preparation and service of a notice under section 146 or section 147 of the Law of Property Act 1925 even if forfeiture is avoided otherwise than by relief by the court; or

3.12.2 otherwise incurred by the Landlord in respect of any breach of covenant by the Leaseholder under this Lease.

3.13 **Obtain consents**

To obtain all licences, permissions and consents and do all works and things and pay all expenses required or imposed by any existing or future legislation in respect of any works carried out by the Leaseholder on the Premises or any part of the Premises or in respect of any use of the Premises during the Term.

3.14 **Landlord's right of inspection and right of repair**

3.14.1 To permit the Landlord and its employees or agents at reasonable times to enter the Premises and examine their condition and also to take a schedule of fixtures and fittings in the Premises.

3.14.2 If any breach of covenant, defects, disrepair, removal of fixtures and fittings or unauthorised alterations or additions are found on inspection for which the Leaseholder is liable, then, on notice from the Landlord, to execute to the reasonable satisfaction of the Landlord or the Landlord's surveyor all repairs, works, replacements or removals required within three months (or sooner if necessary) after receipt of notice.

3.14.3 If the Leaseholder fails to comply with a notice under Clause 3.14.2, the Landlord may itself or by its workpeople or agents enter the Premises and execute the repairs, works, replacements or removals.

3.14.4 To pay to the Landlord on demand all expenses incurred under Clause 3.14.3.

3.15 **Permit entry**

At all reasonable times during the Term on notice to permit the Landlord and the lessees of other adjoining or neighbouring premises with workmen and others to enter the Premises for the purpose of repairing any adjoining or neighbouring premises and for the purpose of repairing, maintaining and replacing all Service Media or other conveniences belonging to or serving the same, the party so entering making good any damage caused to the Premises.

3.16 **Yield up**

At the termination of this Lease to quietly yield up the Premises repaired, maintained, cleaned, decorated and kept in accordance with the covenants in this Lease (except in respect of damage by risks insured under Clause 4.2 unless the insurance money is irrecoverable by reason of any act or default of the Leaseholder).

3.17 **Use**

Not to use the Premises for anything other than as a private residence in single occupation.

3.18 **Restrictions on use**

Not to do any act or thing which may:

3.18.1 render void or voidable any policy of insurance on the Premises or may cause an increased premium to be payable in respect of the Premises;

3.18.2 cause or permit to be caused nuisance, annoyance or disturbance to the owners lessees or occupiers of premises in the neighbourhood or visitors to such premises;

3.18.3 result in any form of harassment or intimidation of any other person, including the Landlord's staff, contractors and agents; or

3.18.4 result in the use of the Premises for any unlawful or immoral purpose.

3.19 **Alienation**

3.19.1 Not to assign, underlet, charge, mortgage or part with possession of part only of the Premises.

3.19.2 Not to underlet or part with possession of the whole of the Premises.

3.19.3 Not without the prior written consent of the Landlord (such consent not to be unreasonably withheld) to assign the whole of the Premises.

3.20 **Disposals of the Premises when the Acquired Percentage is less than 100%**

3.20.1 Subject to Clause 3.20.3 and Clause 3.20.4, the Leaseholder shall pay to the Landlord on demand a sum equal to the Unacquired Percentage of the Market Value if:

(a) this Lease is assigned when the Acquired Percentage is less than 100%; and

(b) within two months after receipt of notice of the assignment pursuant to Clause 3.21 the Landlord serves notice on the Leaseholder requiring such payment.

3.20.2 Within 14 days of the date of the Landlord's notice pursuant to Clause 3.20.1(b) the Landlord shall apply to the Valuer to determine the Market Value as at the date of service of the Leaseholder's notice of assignment served pursuant to Clause 3.21 and shall notify the Leaseholder of the amount of the Valuer's determination in writing within 7 days of receipt of such determination.

3.20.3 The provisions of Clause 3.20.1 shall not apply when the Lease is assigned by way of either:

(a) a disposal under a will or intestacy;

(b) a disposal under section 24 of the Matrimonial Causes Act 1973 or section 2 of the Inheritance (Provision for Family and Dependants) Act 1975;

(c) a grant of a sub-tenancy in respect of which a notice has been given under section 52(1)(b) of the Housing Act 1980 (notice that a tenancy is to be a protected shorthold tenancy) or of a kind mentioned in any of Cases 11 to 18 or 20 in Schedule 15 to the Rent Act 1977;

(d) a grant of a sub-tenancy of part of the house, if any other part of the house remains in the possession of the tenant; or

(e) a grant of a mortgage.

3.20.4 The circumstances in which the Landlord may not require payment under the provisions of Clause 3.20.1 are either:

(a) When the Lease is assigned both:

(i) To a person nominated by the Landlord within a period of eight weeks from the receipt by the Landlord of notice from the Leaseholder to the effect that the Leaseholder wishes to assign his interest in the Premises ("the **Nomination Period**"); and

(ii) At a price no greater than the Acquired Percentage of the Market Value of the Premises (calculated excluding paragraph (c) and(d) of the definition of Market Value) as at a date no more than eight weeks prior to the date of exchange of contracts for the assignment which shall be confirmed by a Valuer's Certificate which the Leaseholder shall serve on the Landlord together with the notice of assignment served pursuant to Clause 3.21; or

(b) If the Landlord fails within the Nomination Period to make any nomination or the Landlord's nominee (without any fault or obstruction on the part of the Leaseholder) fails to enter into a binding contract for purchase from the

Leaseholder within twelve weeks from the receipt of a draft contract by the solicitors or other persons acting for the Landlord's nominee (which draft contract shall be supplied by the solicitor or other persons acting for the Leaseholder and shall contain reasonable terms based on the Standard Conditions of Sale)

3.21 **Register disposals**

Within one month of any assignment, underletting, mortgage, charge or other dealing with the Leaseholder's interest in the Premises to give notice of it together with a certified copy of the document effecting the assignment, mortgage, charge, or devolution to the Landlord and to pay a reasonable fee to the Landlord for the registration of the notice.

3.22 **Deed of Covenant**

Should the Landlord at any time after the creation of this Lease transfer the Communal Facilities or any part of them to a management company or other third party for the purpose of ongoing maintenance then the Leaseholder will enter into a deed of covenant direct with the Landlord and the management company in such form as the Landlord shall reasonably require

3.23 **Prevent loss of easements**

To do such acts and things as may reasonably be required by the Landlord to prevent any easement or right belonging to or used with the Premises from being obstructed or lost and not knowingly to allow any encroachment to be made on or easement acquired over the Premises and in particular not to allow the right of access of light from or over the Premises to any neighbouring property to be acquired.

3.24 **Prevent the acquisition of easements**

To permit the Landlord to use the name of the Leaseholder to bring any action or proceedings which the Landlord may deem proper to be brought or taken in order to prevent the acquisition of any easement or to prevent any other injury to the Premises or the reversion of the Landlord by the owner lessee or occupier of any adjacent land or building and not to hinder obstruct withdraw or stay any proceedings so taken upon the Landlord giving to the Leaseholder an indemnity against all damages costs and expenses by reason of such action or proceedings

3.25 **Comply with restrictions**

To comply with the restrictions stipulations and conditions set out in Schedule 6

3.26 **Comply with covenants affecting the title**

To observe and perform the restrictive and other covenants contained mentioned or referred to in the Charges Register of the Landlord's freehold title to the Premises insofar as they affect the Premises including the payment of monies if at all and to indemnify and keep indemnified the Landlord and its successors in title from and against all actions claims and demands whatsoever in respect of any future breach or non-observance thereof

3.27 **To pay service charge**

To pay the Specified Proportion of the Service Charge referred to in the Particulars by equal monthly payments in advance on the first day of each month, the first payment or a proportionate part thereof to be made on the date of this Lease

4. LANDLORD'S COVENANTS

The Landlord covenants with the Leaseholder as follows:

4.1 **Quiet enjoyment**

That the Leaseholder paying the rents reserved by this Lease and performing and observing the covenants contained in this Lease may peaceably enjoy the Premises during the Term without any lawful interruption by the Landlord or any person rightfully claiming under or in trust for it.

4.2 **Insure**

At all times during the Term (unless such insurance shall be cancelled, invalidated or revoked by any act or default of the Leaseholder) to keep the Premises insured against loss or damage by fire and such other risks as the Landlord may from time to time reasonably determine or the Leaseholder or the Leaseholder's mortgagee may reasonably require in some insurance office of repute to its full reinstatement value (including all professional fees in connection with any reinstatement and two years' loss of rent) and whenever required will produce to the Leaseholder the insurance policy and the receipt for the last premium and will in the event of the Premises being damaged or destroyed by fire or other risks covered by such insurance as soon as reasonably practicable make a claim against the insurers and lay out the insurance monies in the repair, rebuilding or reinstatement of the Premises.

4.3 **Land Registry Certificate of Compliance**

That the Landlord will promptly in response to a request from the Leaseholder provide a certificate confirming (where applicable) that either the provisions of clause 3.20 have been complied with or in the case of any disposal where clause 3.20 is not applicable that the provisions do not apply

4.4 **Obligation to Repair**

That (subject to the payment of the Specified Proportion of the Service Charge) the Landlord shall repair and maintain the Communal Facilities

5. PROVISOS

The parties agree the following provisos:

5.1 **Proviso for re-entry**

5.1.1 This Clause 5.1 shall apply where:

(a) the Specified Rent shall be unpaid for 21 days after becoming payable (whether formally demanded or not); or

(b) if any covenant on the part of the Leaseholder shall not be performed or observed.

5.1.2 Subject to the Landlord obtaining any court order required the Landlord may at any time re-enter the Premises or any part of them and terminate this Lease.

5.1.3 Clause 5.1.2 does not affect any right of action or remedy of the Landlord in respect of any earlier breach of any of the Leaseholder's covenants or the conditions contained in this Lease provided that (without prejudice to the Landlord's rights under this Lease):

(a) the Landlord shall give notice to the Mortgagee or any mortgagee of the Leaseholder of whom the Landlord has received notice pursuant to Clause 3.21 (as the case may be) before commencing any proceedings for forfeiture of this Lease or proceedings for possession of the Premises; and

(b) if within a period of 28 days (or within such other period specified in the Landlord's notice as the notice period, if longer) the Mortgagee or such mortgagee of the leaseholder of whom the Landlord has received notice (as the case may be) indicates in writing to the Landlord that it wishes to remedy such breach, and/or is going to take such action as may be necessary to resolve the problem complained of by the Landlord, the Landlord shall allow 28 days (or such longer time as may be reasonable in view of the nature and extent of the breach) to remedy such breach and take the action necessary to resolve such problem.

5.2 **Limitation of Landlord's Liability**

The Landlord shall not be liable for any damage suffered by the Leaseholder or any member of the Leaseholder's family or any employee, servant or licensee of the Leaseholder through any defect in any fixture, tank, Service Media, staircase, machinery, apparatus or thing in the Premises or through the neglect, default or misconduct of any servant employed by the Landlord acting outside the Landlord's instruction in connection with the Premises or for any damage to the Premises due to the bursting or overflowing of any tank, boiler or Service Media in the Premises except insofar as any such liability may be covered by insurance effected by the Landlord.

5.3 **Landlord's power to deal with other Property**

Notwithstanding anything contained in this Lease the Landlord shall have power without obtaining any consent from or making any compensation to the Leaseholder to deal as the

Landlord may think fit with any other land, buildings or premises adjoining or near to the Premises and to erect, rebuild or heighten on such other land or premises any buildings whether such buildings shall or shall not affect or diminish the light or air which may now or at any time during the Term be enjoyed by the Leaseholder or other tenants or occupiers of the Premises.

5.4 **Power to alter Communal Facilities**

The Landlord shall have power at its discretion to alter the arrangement of the Communal Facilities provided that after such alteration the access to and amenities of the Premises are not substantially less convenient than before.

5.5 **Party walls**

Every internal wall separating the Premises from any other building shall be a party wall severed medially.

5.6 **Suspension of rent in case of insured damage**

If the whole or any part of the Premises are destroyed or damaged by fire or any other risks covered by the Landlord's insurance so as to be rendered unfit for use then (unless the insurance money is irrecoverable by reason of any act or default of the Leaseholder) the Specified Rent or a fair proportion of it shall be suspended until the Premises are again fit for use.

5.7 **Frustration clause**

5.7.1 Subject to Clause 5.7.2, in the event of the repair, rebuilding or reinstatement of the Premises being frustrated by any reason beyond the control of the Landlord the Leaseholder will surrender to the Landlord this Lease in consideration of the Landlord paying to the Leaseholder a sum equal to the Acquired Percentage of any insurance monies received by the Landlord in respect of the Premises.

5.7.2 If at the time of such frustration (i) there is any Loan outstanding to a Mortgagee of the Premises and (ii) the Unacquired Percentage is greater than nil then the consideration for such surrender shall be the amount referred to in Clause 5.7.1 plus the Mortgage Protection Claim (calculated on the basis that paragraph (h) in the definition of "Loss" in Schedule 8 is the amount referred to in Clause 5.7.1).

5.7.3 Any overpayment of insurance monies shall be a debt due from the Leaseholder to the Landlord and shall be payable on demand.

5.8 **Expert determination**

5.8.1 In this Lease, where any issue is required to be dealt with by, or submitted for the determination of, an independent expert, the following provisions of this Clause 5.8 are to apply but, in case of conflict with other provisions specifically relating to expert determination elsewhere in this Lease, those other provisions are to prevail to the extent of the conflict.

5.8.2 The expert is to be appointed by the parties jointly, or if they cannot or do not agree on the appointment, appointed by whichever of the following is appropriate:

(a) the president from time to time of the Royal Institution of Chartered Surveyors; or

(b) the president from time to time of the Institute of Chartered Accountants in England and Wales,

or in either case the duly appointed deputy of the president, or other person authorised by him to make appointments on his behalf.

5.8.3 The person so appointed is to:

(a) act as an expert, and not as an arbitrator; and

(b) (must afford the parties the opportunity within such a reasonable time limit as he may stipulate to make representations to him (accompanied by professional valuations, reports or other appropriate evidence in the relevant circumstances) and permit each party to make submissions on the representations of the other.

5.8.4 Neither the Landlord nor the Leaseholder may without the consent of the other disclose to the expert correspondence or other evidence to which the privilege of non-production ("without prejudice") properly attaches.

5.8.5 The fees and expenses of the expert, including the cost of his nomination, are to be borne as the expert may direct (but in the absence of such a direction, by the parties in equal shares), but (unless they otherwise agree) the parties shall bear their own costs with respect to the determination of the issue by the expert.

5.8.6 One party may pay the costs required to be borne by another party if they remain unpaid for more than 21 days after they become due and then recover these and any incidental expenses incurred from the other party on demand.

5.8.7 If the expert refuses to act, becomes incapable of acting or dies, the Landlord or the Leaseholder may request the appointment of another expert in his stead under Clause 5.8.2.

5.8.8 The determination of the independent expert, except in case of manifest error, is to be binding on the Landlord and the Leaseholder.

5.9 **Cesser of Liability in respect of covenants**

A party who was formerly the Landlord is to cease to be liable to perform and observe the covenants and conditions on the part of the Landlord contained in this Lease at and from the date of an assignment of the immediate reversion to this Lease.

6. MORTGAGE PROTECTION

6.1 If a Mortgagee enforces its security in respect of the Loan then (subject to the other provisions of this Clause 6) the Mortgagee is entitled to deduct the amount of the Mortgagee Protection Claim from monies that would otherwise be paid to the Landlord as the price for the Final Staircasing. There is no obligation on a Mortgagee to accomplish Final Staircasing.

6.2 The deduction under Clause 6.1 is conditional upon the Mortgagee agreeing simultaneously with the deduction under Clause 6.1 that upon such deduction or, if later, promptly upon the Mortgagee recovering the whole of its Loss, the Mortgagee shall assign to the Landlord any guarantees, insurance policies and any other collateral security given to the Mortgagee or secured by the Mortgagee in respect of the Loan together with all other rights to enforce the same and all sums payable under them.

6.3 A claim may only be made to the extent:

6.3.1 the Mortgagee has made a Loss; and

6.3.2 the Mortgagee has obtained the Landlord's consent to the terms of each and every Loan; and

6.3.3 the disposal of the Leaseholder's interest in the Premises was made on an arm's length basis at the best price reasonably obtainable in the market at the time of sale. For the purpose of this Clause 6.3.3 the onus of proof is on the Landlord to show the sale was at an undervalue; and

6.3.4 the Leaseholder has not, prior to any default occurring under the Loan, accomplished Final Staircasing.

6.4 When applying for the Landlord's consent under Clause 6.3.2 the Mortgagee must provide full details of the terms of the proposed Loan. The Landlord must respond promptly to any request for consent and give its decision within 28 days. If such consent is given it must be given in writing, and must be retained by the Mortgagee. In addition such consent shall be deemed to be given in the event that the Landlord receives any amounts advanced by the Mortgagee which are applied in protecting, preserving or enforcing its security over this Lease (including any amounts advanced by the Mortgagee and applied in discharging any arrears of rent and/or other sums payable under this Lease).

6.5 If the Landlord makes a payment to the Mortgagee or a deduction is made by the Mortgagee the Landlord shall be entitled to claim against the Leaseholder for any such amount together with interest on such sum calculated in accordance with the provisions of Clause 3.2 .

6.6 The Leaseholder hereby authorises:

6.6.1 the Landlord to disclose to any Mortgagee of the Leaseholder from time to time personal information relating to the Leaseholder or to the provisions of this Lease (including details of any arrears of rent or other sums payable under this Lease); and

6.6.2 any Mortgagee from time to time of the Leaseholder to disclose to the Landlord such information as the Landlord may request regarding the Leaseholder and the Loan (including details of any arrears).

7. STAMP DUTY CERTIFICATE AS SHARED OWNERSHIP

For the purposes of paragraph 4 of schedule 9 of the Finance Act 2003 the Landlord and the Leaseholder confirm that the premium obtainable on the open market for the Premises (by reference to which the Premium is calculated) is the Initial Market Value and the minimum rent payable is the Minimum Rent and that the Leaseholder intends stamp duty land tax to be charged in accordance with the said paragraph 4 of schedule 9 by reference to the Initial Market Value and the Minimum Rent.

8. NOTICES

For the purposes of Section 48 of the Landlord and Tenant Act 1987 the address at which any notices (including notices in any proceedings) may be served on the Landlord by the Leaseholder is (until the Leaseholder is notified to the contrary) as follows. A notice to be served under this Lease shall be served in writing and shall be properly served if served upon the Landlord at its registered office and/or upon the Leaseholder at the Premises and shall be deemed to have been made or delivered if left at such address or two days after being posted postage prepaid and by first class recorded delivery in an envelope addressed to them at such address.

9. LANDLORD AND TENANT (COVENANTS) ACT 1995 DECLARATION

For the purposes of the Landlord and Tenant (Covenants) Act 1995 the covenants on the part of the Landlord and on the part of the Leaseholder under this Lease are not personal covenants.

10. VALUE ADDED TAX

Sums payable under this Lease for the supply of goods and services are exclusive of value added tax which is to be payable, if applicable, in respect of and at the same time as each sum falls due for payment.

11. LEASEHOLD REFORM ACT 1967 DECLARATION

Pursuant to paragraph 3(2)(g) of Schedule 4A to the Leasehold Reform Act 1967 the Landlord declares that in its opinion this Lease is excluded from the operation of Part 1 such Act.

12. CHARITY CLAUSE

The Premises are held by the Landlord as an Exempt Charity

Delivered as a deed on the date of this document.

SCHEDULE 1 THE PREMISES

1. Firstly 11 Robb Close Irthlingborough Northamptonshire NN9 5GJ and secondly the car parking space all of which are shown edged red on the Plan

2. The Premises include:

   2.1 all buildings, erections and structures on the Premises from time to time;

   2.2 the Service Media within and exclusively serving the Premises; and

   2.3 appurtenances, fixtures, fittings and rights granted by this Lease,

   2.4 and improvements and additions made to, and fixtures, fittings and appurtenances in, the Premises

   2.5 the foundations and eaves of the House

3. The Premises do not include:

   3.1 the foundations and eaves of and the Service Media exclusively serving any adjoining building erected or in course of erection

   3.2 any Service Media in or under the Premises which are intended to be adopted by the appropriate authority

SCHEDULE 2 EASEMENTS, RIGHTS AND PRIVILEGES

1. The right to the free passage and running of water soil gas electricity and telephone from and to the Premises through along and into the Service Media which are now or may at any time hereafter be in on or under or belonging to neighbouring parts of the Development and used in common by such neighbouring parts and the Premises **TOGETHER WITH** all easements rights and privileges over other parts of the Development necessary and proper for inspecting cleaning repairing maintaining and reinstating the same **PROVIDED ALWAYS** that such rights shall only extend to Service Media already constructed or laid or which shall be constructed or laid within eighty years from the date hereof (which period shall be the perpetuity period applicable to this Lease) and replacements of the same and that the Leaseholder shall make good all damage occasioned by the exercise of such rights

2 The right of lateral and subjacent support and protection for the House by and from the adjoining parts of the Development and any buildings erected or in course of erection thereon

3 Such rights of access to and entry upon other parts of the Development as are necessary for the repair and maintenance of the House and for the proper performance and observance of the restrictions stipulations and conditions herein contained or for the exercise of the Leaseholders rights under this Lease the Leaseholder giving to the occupiers of such other parts at least forty eight hours notice (except in case of emergency) before exercising such rights of access and entry and making good all damage occasioned by such exercise

4. The right to enforce any covenants on the part of the other leaseholders or transferees from the Landlord of the other plots on the Development in a form the same as or similar to the covenants contained in paragraph 3 or Schedule 6 to such extent as the same relate to the Premises and the rights hereby granted

5. The benefit of the rights referred to in the Property Register of title number NN193596

6. The right for the Leaseholder and the tenants or occupiers of the Premises (where applicable) and his her or their employees and visitors (in common with all other persons having the like right) to go pass and repass at all times for the purposes of access to and egress from the Premises on foot only over the Private Footpath (to such extent as the same falls outside of the boundaries of the Premises) subject to the Leaseholder paying a one half share of the costs of the repair and maintenance

7. To go pass and repass on foot only over the pavements and with vehicles over the carriageways comprised in the estate roads forming part of the Development and intended to be adopted by the local highway authority as highways maintained at public expense

8. The right for the Leaseholder and the tenants or occupiers of the Premises (where applicable) and his her or their employees and visitors (in common with all other persons having the like right) to go pass and repass with or without vehicles at all times for the

purpose of access to and egress from the Premises over the Private Drive subject to the payment of the Specified Proportion of the Service Charge referred to in the Particulars

9. The right for the Leaseholder and the tenants or occupiers of the Premises (where applicable) and his her or their employees and visitors (in common with all other persons having the like right) to use on a first come first served basis for no more than a period of twenty three hours in any one day the Visitor Car Parking Space subject to any rules and regulations which the Landlord may impose from time to time and the payment of the Specified Proportion of the Service Charge

10. The right for the Leaseholder and all persons authorised by the Leaseholder (in common with all other persons entitled to the like right) at all times to use the Communal Facilities not otherwise referred to for such purposes as are incidental to the occupation and enjoyment of the Premises (but not further or otherwise) subject to the payment of the Specified Proportion of the Service Charge

Provided always that none of the rights in this Schedule shall apply to or be exercised over any electricity substation site or sites included in the Estate

SCHEDULE 3 EXCEPTIONS AND RESERVATIONS

1. The rights (which so far as are not already created are hereby reserved) granted or to be granted to the registered proprietors of the other plots on the Development adjoining or neighbouring the Premises being rights over the Premises equivalent to those set out in paragraphs 1 2 and 3 of Schedule 2

2. The right for the Landlord and any statutory undertakers and the local authority and all other persons authorised by it and any other appropriate authority and their respective employees agents and licensees to enter upon the Premises on reasonable notice given at any time for the purpose of laying making inspecting cleaning repairing maintaining and reinstating any Service Media for the use of any other part of the Development or any adjoining or neighbouring property and to connect the same to and use any Service Media in or under the Premises so that the persons so entering and carrying out any such work shall at their own cost forthwith make good all damage occasioned thereby and shall restore the Premises (including any buildings) and the surface thereof to their former condition

3. A right of access to and entry upon the Premises by the Landlord its employees and agents for the purpose of carrying out any works of construction maintenance or repair on any other parts of the Development or for the purpose of inspecting such Premises the Landlord giving to the Leaseholder at least forty eight hours notice before exercising such right of access and entry (except in case of emergency when no notice shall be served) and making good all damage occasioned thereby

4. The right for the Landlord to develop the remaining parts of the Development notwithstanding that the access of light or air to the Premises may be thereby diminished or obstructed and the Leaseholder shall not become entitled to any right of light or air or other easements (except those expressly hereby granted) which would or might in any way interfere with or affect the unrestricted development and user by the Landlord and its successors in title of the remaining parts of the Development for building purposes

5. Full right and liberty for the Landlord (subject as hereinafter mentioned) to sell and dispose of any part or parts of the Development either entirely free from the covenants restrictions stipulations and conditions herein contained or subject to such variation or modification thereof as it might think fit and the Landlord or any person to whom the benefit of this right may be expressly assigned may (subject as hereinafter mentioned) at any time either before or after a transfer or lease from the Landlord to a purchaser or tenant release vary or modify the said covenants restrictions stipulations and conditions or any of them or waive any breach thereof and further may at the discretion of the Landlord or such assigns alter vary or modify the plottings of the Development and generally the arrangement of the Development in such manner as they shall think fit Provided that none of the rights reserved by this paragraph shall authorise any derogation from the rights expressly granted in Schedule 2

6. The right (if applicable) for the lessor and the lessees tenants or occupiers of the relevant plots and its his or their employees and visitors to pass and repass on foot only at all

times for the purpose of access and egress over and along the Private Footpath (to such extent as the same is included within the boundaries of the Premises) such persons as aforesaid paying a one-half share of the repair and maintenance

SCHEDULE 4 RENT REVIEW

1. **DEFINITIONS**

In this Schedule 4 :

"**A**" means the monthly figure shown in the Index published for the Relevant Month in the year of the immediately preceding Relevant Review Date or (if none) in the year of the date of the Commencement Date.

"**B**" means the monthly figure shown in the edition of the Index for the Relevant Month in the year of the Relevant Review Date.

"**Index**" means the all items retail prices index published by the Office for National Statistics.

"**Relevant Month**" means the September which is at least two clear calendar months and no more than 14 clear calendar months before the Relevant Review Date.

2. **GROSS RENT REVIEW**

With effect from each Review Date the Gross Rent for the purposes of this Lease shall be the reviewed Gross Rent (as agreed or determined in accordance with this Schedule 4).

3. **UPWARDS ONLY RENT REVIEW**

3.1 The reviewed Gross Rent is to be the greater of:

3.1.1 the Gross Rent under this Lease immediately preceding the Relevant Review Date x 1.005; and

3.1.2 (the Gross Rent under this Lease immediately preceding the Relevant Review Date x $\frac{B}{A}$) x 1.005.

3.2 If the Index is re-based after A is published, but before B is published, then an appropriate adjustment shall be made in the calculation to ensure that both B and A are calculated on the same basis.

3.3 If the Index ceases to be published then there shall be substituted in the calculation in paragraph 3.1.2 such other index as the Landlord shall (acting reasonably) determine as being a generally respected measure of the general increase in retail prices.

3.4 If, because of any change after the date of this Lease in the method used to compile the Index or for any other reason it becomes impossible or impracticable to calculate fairly the fraction referred to in paragraph 3.1.2 by reference to the Index, or if any dispute or question arises between the parties to this Lease with respect to any such calculation pursuant to paragraph 3.1.2 or with respect to the construction or effect of this provision, then such dispute or question shall (if it is not resolved within 3 months of the Relevant Review Date) be referred to an independent expert pursuant to Clause 5.8.

4. **SPECIFIED RENT REVIEW**

With effect from each Review Date the Specified Rent reserved under this Lease shall be reviewed to an amount equal to the Unacquired Percentage of the Gross Rent as at that Review Date as agreed or determined in accordance with the terms of this Schedule.

5. **TIME**

Whilst the parties are encouraged to act promptly and reasonably in order to resolve disputes as soon as possible, in agreeing or determining the reviewed Gross Rent, the reviewed Specified Rent or in appointing an expert, no rights or obligations are extinguished by the passage of time.

6. **RENTAL ADJUSTMENTS**

6.1 If the reviewed Specified Rent payable from a Review Date is not agreed or determined in accordance with the provisions of this Schedule 4 before the Relevant Review Date, then until the reviewed Specified Rent has been so agreed or determined, the Leaseholder will continue to pay on account Specified Rent at the rate payable immediately before the Relevant Review Date.

6.2 Within 14 days after the time that the reviewed Specified Rent has been agreed or determined the Leaseholder will pay to the Landlord all arrears of the reviewed Specified Rent which have accrued in the meantime, with interest equal to the base rate of Barclays Bank PLC on each of the instalments of the arrears from the time that it would have become due if the reviewed rent had then been agreed or determined until payment becomes due from the Leaseholder to the Landlord under this paragraph 6.2.

7. **NOTICE OF REVIEW**

Immediately following each Review Date the Landlord shall serve written notice on the Leaseholder, substantially in the form set out in Appendix 2 specifying the amount of the reviewed Gross Rent and the amount of the Specified Rent then payable.

SCHEDULE 5 STAIRCASING

Part 1 Staircasing Provisions

1.

1.1 At any time or times during the Term the Leaseholder may serve notice in writing on the Landlord stating the Portioned Percentage he proposes to acquire. The provisions of this Schedule 5 shall also be exercisable by any mortgagee of the Leaseholder of whom the Landlord has received proper notice pursuant to Clause 3.21.

1.2 The Landlord shall apply to the Valuer to determine the Market Value as at the date of service of the Leaseholder's notice served pursuant to paragraph 1 (upon which the price of acquisition will be based) within 14 days of receipt of the Leaseholder's notice (or, if later, within 14 days of the Valuer's appointment) and shall notify the Leaseholder of the amount of the Valuer's determination in writing within 7 days of receipt of the said determination.

1.3 At any time within 3 months of the Valuer's determination the Leaseholder may pay for a Portioned Percentage in accordance with the provisions of paragraph 1.4.

1.4 The Leaseholder may pay for a Portioned Percentage by paying to the Landlord a sum equal to that Portioned Percentage of Market Value (as agreed or determined under this Schedule 5 plus any unpaid sums under paragraph 1.5 and as from the date of such payment (a) the Portioned Percentage so acquired shall form part of the Acquired Percentage and (b) the Specified Rent payable under this Lease shall be a sum equal to the Unacquired Percentage of the Gross Rent.

1.5 On completion of the payment for a Portioned Percentage in addition to the sum or the price payable for the Portioned Percentage the Leaseholder shall pay any arrears of rent and any other sums due to the Landlord under this Lease including any unpaid costs under paragraph 2. The Landlord and the Leaseholder shall, save as provided in paragraph 2 pay their own costs and expenses in connection with such payment or purchase.

1.6 Whenever the Leaseholder completes the payment for a Portioned Percentage the Landlord and the Leaseholder shall forthwith execute and deliver to the other (to be attached to the original and counterpart of this Lease) a memorandum substantially in the form set out in Appendix 1 specifying the Portioned Percentage paid for and the Specified Rent then payable.

1.7 If the provisions of this Schedule 5 are exercised by any mortgagee under paragraph 1.1 then provided that the Premises are being sold by the mortgagee on an arm's length basis at the best price reasonably obtainable at the time of sale:

1.7.1 The Market Value shall be deemed to be the price at which the Premises are being sold by the mortgagee on the assumption that the Unacquired Percentage is nil;

1.7.2 The relevant Portioned Percentage shall be calculated on the basis that deemed Market Value; and

1.7.3 If so requested by the mortgagee the Landlord shall co-operate with the mortgagee to ensure that there occurs simultaneously (A) the payment to the Landlord of the relevant Portioned Percentage under paragraph 1.4 (B) delivery by the Landlord to the mortgagee of the memorandum under paragraph 1.6 and (C) completion of the sale of the Premises by the mortgagee

2.

2.1 At any time the Leaseholder shall have the right on giving notice to the Landlord to acquire the freehold of the Premises for no charge and otherwise by a transfer/conveyance in the form set out in Schedule 5, Part 2 provided that such notice shall not take effect (i) before the Acquired Percentage has become 100% and (ii) until all sums payable to the Landlord pursuant to paragraph 1 have been paid.

2.2 The freehold of the Premises shall be transferred by the Landlord to the Leaseholder as soon as practicable following the date of the Leaseholder's notice served pursuant to paragraph 2.1. For the purposes of the transfer of the freehold to the Leaseholder the Landlord shall supply to the Leaseholder copies of the subsisting entries in the register of its title and of the title plan and of any document referred to, but not set out, in the registers of title.

2.3 At such time and simultaneously with the execution of the transfer referred to in paragraph 2.2 above the Leaseholder will (where applicable) take a transfer of the Landord's share or membership in the Management Company and will accept such appointment as a Director or Secretary thereof as shall be required

3. The costs of any determination by the Valuer pursuant to the provisions of this Schedule 5 shall be paid by the Leaseholder to the Landlord on demand.

4. The parties agree that the decision of the Valuer shall be final and binding on the parties to this Lease.

Part 2 Draft Freehold/Transfer/Conveyance

Land Registry
Transfer of part of registered title(s)

TP1

If you need more room than is provided for in a panel, and your software allows, you can expand any panel in the form. Alternatively use continuation sheet CS and attach it to this form.

Leave blank if not yet registered.	1 Title number(s) out of which the property is transferred: NN193596
When application for registration is made these title number(s) should be entered in panel 2 of Form AP1.	2 Other title number(s) against which matters contained in this transfer are to be registered or noted, if any:
Insert address, including postcode (if any), or other description of the property transferred. Any physical exclusions, such as mines and minerals, should be defined. Place 'X' in the appropriate box and complete the statement. For example 'edged red'. For example 'edged and numbered 1 in blue'. Any plan lodged must be signed by the transferor.	3 Property: The property is identified ☐ on the attached plan and shown edged red: ☐ on the title plan(s) of the above titles and shown:
	4 Date:
Give full name(s). Complete as appropriate where the transferor is a company.	5 Transferor: Orbit Group Limited (exempt charity) **FOR UK INCORPORATED COMPANIES/LLPS** Registered number of company or limited liability partnership including any prefix: Industrial & Provident Society Number 28503R **FOR OVERSEAS COMPANIES** (a) Territory of incorporation: (b) Registered number in England and Wales including any prefix:
Give full name(s). Complete as appropriate where the transferee is a company. Also, for an overseas company, unless an arrangement with Land Registry exists, lodge either a certificate in Form 7 in Schedule 3 to the Land Registration	6 Transferee for entry in the register: **FOR UK INCORPORATED COMPANIES/LLPS** Registered number of company or limited liability partnership including any prefix: **FOR OVERSEAS COMPANIES** (a) Territory of incorporation:

Rules 2003 or a certified copy of the constitution in English or Welsh, or other evidence permitted by rule 183 of the Land Registration Rules 2003.	(b) Registered number in England and Wales including any prefix:
Each transferee may give up to three addresses for service, one of which must be a postal address whether or not in the UK (including the postcode, if any). The others can be any combination of a postal address, a UK DX box number or an electronic address.	7 Transferee's intended address(es) for service for entry in the register:
	8 The transferor transfers the property to the transferee
Place 'X' in the appropriate box. State the currency unit if other than sterling. If none of the boxes apply, insert an appropriate memorandum in panel 12.	9 Consideration ☐ The transferor has received from the transferee for the property the following sum (in words and figures): ☐ The transfer is not for money or anything that has a monetary value ☐ Insert other receipt as appropriate:
Place 'X' in any box that applies. Add any modifications.	10 The transferor transfers with ☐ full title guarantee ☐ limited title guarantee
Where the transferee is more than one person, place 'X' in the appropriate box. Complete as necessary.	11 Declaration of trust. The transferee is more than one person and ☐ they are to hold the property on trust for themselves as joint tenants ☐ they are to hold the property on trust for themselves as tenants in common in equal shares ☐ they are to hold the property on trust:
Use this panel for: – definitions of terms not defined above – rights granted or reserved – restrictive covenants – other covenants – agreements and declarations – any required or permitted statements – other agreed provisions. The prescribed subheadings may be added to, amended, repositioned or omitted. Any other land affected by rights granted or reserved or by restrictive covenants should be defined by reference to a plan.	12 Additional provisions Definitions 12.1 In this Transfer unless the context otherwise requires: 12.1.1 "Agreements and Declarations" means the agreements and declarations set out in clauses 5.6 to 5.9 of the Lease 12.1.2 "Communal Facilities" means any boundary walls fences hedges the private drive and footpaths which give access to the Property and the sewers and drains which serve the same and the provision of street lighting to the Development used in common by the leaseholder under the Lease and the registered proprietors of the adjoining or neighbouring premises on the Development or properties

adjoining the Development but which are not within the boundaries of the Property

12.1.3 "Development" means the land now or formerly registered under title number NN193596

12.1.4 "Existing Matters" means the matters contained in the property and charges registers of title number NN193596

12.1.5 "Landlord" means the Landlord under the Lease

12.1.6 "Lease" means a Lease of the Property dated ( ) day of ( ) 2010 and made between the Transferor of the one part and ( ) of the other part for a term of 125 years from the 1st January 20

12.1.7 "Plan" means the plan attached to this Transfer

12.1.8 "Positive Covenants" means the positive covenants set out in clause 12.5 and 12.6

12.1.9 "Pre-Emption Period" means the period of 21 years from and including the date of this Transfer

12.1.10 "Property" means the property edged red on the Plan

12.1.11 "Restrictive Covenants" means the restrictive covenants in substantially the same form as those set out in schedule 6 of the Lease and clause 12.4

12.1.12 Service Installations" means sewers drains channel pipes water courses gutters mains wires cables pillars turrets amplifiers piles soakaways or any other conducting media or apparatus serving the Development for the supply of water gas electricity or telephone signals lifts entry phones or radio or television signals or for the disposal of foul or surface water from the Property

12.1.13 "Standard Conditions of Sale" means the Standard Conditions of Sale (Fourth Edition)

12.1.14 "Transferee" includes the registered proprietor from time to time of the Property

12.1.15 "Transferor" includes any person to whom Orbit Group Limited may expressly grant or assign any of the rights hereby excepted and reserved or the covenants restrictions stipulations and conditions contained in this transfer and includes successors in title to any part of the Development

Any other land affected should be defined by reference to a plan and the title numbers referred to in panel 2.

Rights granted for the benefit of the Property

12.2 The Transferor hereby grants unto the Transferee for the benefit of the Property the rights in substantially the same form as those set out in schedule 2 of the Lease subject to the payment by the Transferee of a proportionate part of the costs of any repair or maintenance

Any other land affected should be defined by reference to a plan and the title numbers referred to in panel 2.

Rights reserved for the benefit of the Development

12.3 There are excepted and reserved for the benefit of any part or parts of the Development the exceptions and reservations in substantially the same form as those set out in schedule 3 of the Lease

Include words of covenant.

Restrictive covenants by the Transferee

12.4 The Transferee to the intent and so as to bind the Property into whosoever hands the same may come for himself and his successors in title covenant with the Transferor for the benefit of the remainder of the Development and each and every part of it to observe and perform the restrictions stipulations and conditions set out below:

12.4.1 Not to use or permit or suffer the Property to be used for any purpose whatsoever other than as a private dwellinghouse for a single family and garden ancillary thereto and not to do or permit or suffer on or to the Property and/or the Communal Facilities any act or thing which shall or may be or become a nuisance damage annoyance or inconvenience to the Landlord or the registered proprietors or occupiers of any other dwelling on the Development or any neighbouring property or which may tend to lessen or depreciate the value of any land or property in the neighbourhood

12.4.2 Not to erect or plant or suffer to be erected or planted any building erection wall fence gate or hedge on the front garden of the Property

12.4.3 Neither the Property nor any part thereof shall be used for any illegal or immoral practice nor shall any trade or business to be carried on there

12.4.4 Not to use or permit the use of the Property or any part thereof for the purpose of the sale manufacture supply or distribution of ale beer wines or spirits or any other intoxicating liquors or for the purpose of any club 'or institution at which intoxicating liquors are sold or consumed

12.4.5 Not to allow to pass into the Service Installations serving the Property any noxious or deleterious effluent or other substance which may cause an obstruction in or injure the said sewers drains or watercourses and in the event of any such obstruction or injury forthwith to make good such damage to the satisfaction of the Transferor

12.4.6 Not to build or permit or suffer to be built or erected on the Property any new building or structure nor to make any alterations or additions affecting the structure construction or external appearance of any existing buildings or boundary walls except in either case in accordance with plans elevations sections and specifications previously approved by the Transferor and the local Planning Authority and to pay the reasonable charges and expenses of the Transferor in dealing with any such approval

12.4.7 Not to park any vehicle caravan trailer or boat of any kind on the Property so as to be visible from any existing road or path except that:

12.4.7.1 A private motor car may be parked on the drive of the Property

12.4.7.2 Vehicles delivering or collecting goods may be parked temporarily

12.4.8 Not without the written consent of the Landlord to erect any external aerial on the Property except that such consent shall not be required for an aerial that may be erected in the back garden or fixed to the back wall of the house or to a side wall of the house (other than a side wall facing any part of the new road)

12.4.9 Not to leave any dustbin or other refuse container on the Property so as to be visible from the road or path to which the Property fronts

12.4.10 Not to exhibit any advertisement nameplates placard or notice of any kind upon the Property except nameplates and house numbers of a reasonable size and notice relating to the sale or letting of the Property

12.4.11 Not to lop top or remove or cut down any trees or shrubs on the Property without the previous consent of the Local

Planning Authority and to replace forthwith any such trees or shrubs which wither or perish

12.4.12 Not without the previous written consent of the Transferor to keep upon the land hereby transferred or any part thereof any animal other than the usual domestic pets such as cats dogs caged rabbits or similar sized creatures or birds (not homing pigeons or doves) or a reasonable number and under proper control so that the same shall not cause any nuisance or annoyance to the Transferor or the owners or occupiers of adjoining or neighbouring property

12.4.13 Not to Transfer the Property to another party without procuring that the Transferee's successors in title shall enter into a deed of covenant with the Transferor in the form set out below to the effect that the said successor in title covenants to observe and perform the Restrictive Covenants and Positive Covenants herein contained:

"I * of * hereby covenant with Orbit Group Limited whose registered office is Garden Court Harry Weston Road Binley Business Park Binley Coventry CV3 2SU that I and my successors in title will at all times from the * day of * duly (1) pay all sums payable by virtue of clause 12.5 and 12.6 of the Transfer dated the * day of * and made between the said Orbit Group Limited of the one part and * of * of the other part ("the Transfer") and (2) to observe and perform the restrictive covenants and positive covenants restrictions stipulations and conditions and any other matters contained or referred to in the Transfer and on the part of the Transferee to be observed and performed (whether running with the said Property or of a purely personal and collateral nature) to the same extent as if I were the original Transferee named in the Transfer

Positive covenants by the Transferee

12.5 The Transferee covenants with the Transferor that the Transferee and his successors in title will at all times:

12.5.1 Keep the Property in good repair and condition

12.5.2 Pay to the Transferor a fair and proper proportion of:

12.5.2.1 the reasonable cost of repairing maintaining renewing and cleaning (as the case may be) of the Communal Facilities

12.5.2.1 the reasonable fees charges and expenses of the Transferor's surveyor accountant or other person whom the Transferor may from time to time reasonably employ in connection with the management and maintenance of the Communal Facilities including the computation and the collection of the moneys due from the Transferee hereunder and if such work shall be undertaken by an employee of the Transferor then a reasonable allowance shall be made for such work

12.5.3 Inspect repair maintain reinstate and (where applicable) clean all Service Installations which are within the boundaries of the Property except such as exclusively serve a single adjoining property on the Development

12.5.4 Maintain walls fences or hedges on or within the boundaries of the Property in the positions marked with an inward "T" on the Plan (if any)

12.5.5 Within ten years from the date hereof to replace within the then next and subsequent planting seasons any failed tree or shrubs upon the Property (if any) forming part of the landscaping scheme relating to the Development with a healthy specimen of the same genus family species cultivar section and series and to maintain and further replace the same or its replacement (if necessary) during such period

12.5.6 The Transferee with the object and intent of affording to the Transferor a full and sufficient indemnity but not further or otherwise hereby covenants with the Transferor that the Transferee will at all times hereafter observe and perform the Existing Matters and the covenants and other matters on the landlord's part contained in the Lease so far as the same relate to the Property and are still subsisting and capable of enforcement and will indemnify the Transferor from and against all actions claims demands or liabilities whatsoever in respect of any breach of this covenant

12.6 The Transferee hereby further covenants with the Transferor that if the Transferor shall transfer their estate and interest in the Communal Facilities referred to in recital 12.1.2 to a management company that the Transferee will on receipt of notice of such transfer within seven days apply to the management company to become a member thereof and thereafter:

12.6.1 pay to the management company a fair and reason proportion or as the Transferor shall determine of all cost of repairing maintaining renewing and cleaning the Communal Facilities

12.6.2 on any subsequent transfer of the Property obtain from the new transferee a covenant to pay such costs and to become a member of any management company as may be required

Include words of covenant.

Restrictive covenants by the Transferor

None

Insert here any required or permitted statements, certificates or applications and any agreed declarations and so on.

Other

12.7 Subject to clause 12.13, during the Pre-Emption Period the Transferee shall not:

12.7.1 transfer the whole or part of the Property;

12.7.2 underlet the whole or any part of the Property pursuant to an underlease for a term of more than 21 years otherwise than at a rack rent; or

12.7.3 enter into an agreement to renew or extend the term of any underlease granted for a term of less than 21 years,

otherwise than as permitted pursuant to the provisions of clause 12.8 and clause 12.9.

12.8 If the Transferee wishes to dispose of the Property on the terms set out in clauses 12.7.1 and clause 12.7.2 during the Pre-Emption Period he shall first serve written notice on the Transferor offering to transfer the whole of the Property to the Transferor and within 8 weeks of receipt the Transferor may serve written notice on the Transferee:

12.8.1 declining the offer but nominating a purchaser to take the transfer of the Property; or

12.8.2 stating that the Transferor will accept the offer.

12.9 A Transferee's offer served pursuant to clause 12.8 must be an unconditional offer to sell the Property with full title guarantee, vacant possession and free from encumbrances (except any which may affect the Property at the time of the grant of the lease dated and be subject to the Standard Conditions of Sale (save that no deposit shall be payable by the Transferor or its nominee).

12.10 The price at which such offer shall be made shall be the open market value of the Property with vacant possession assessed as at the date of the Transferee's notice served under the provisions of clause 12.8 in accordance with any relevant guidance notes on the valuation of land and buildings for the time being in force of the Royal Institution of Chartered Surveyors by an independent qualified valuer (acting as an expert) who is an associate or a fellow of the Royal Institution of Chartered Surveyors or the Incorporated Society of Valuers and Auctioneers and whose appointment shall be agreed between the Transferee and the Transferor or failing agreement on the application of either party by the president for the time being of the Royal Institution of Chartered Surveyors whose decision shall be final and binding on the Transferee and the Transferor but whose costs and expenses shall be borne by the Transferee.

12.11 If the Transferor does not serve a notice under clause 12.8 within the 8 week period specified in clause 12.8 (as to which time shall be of the essence) the Transferee may transfer or underlet the whole or any part of the Property subject to exchange of contracts (or completion where there is no prior exchange of contracts) for the transfer or underletting taking place within 12 months of service of the Transferee's notice pursuant to clause 12.8 provided that if no exchange of contracts or completion has taken place within such 12 month period and the Transferee wishes to transfer or underlet the whole or any part of the Property the procedure set out in clause 12.8 to this clause 12.11 (inclusive) shall be repeated.

12.12 The Transferor and the Transferee shall apply to the Chief Land Register to enter a restriction in the following form (Form M) in the proprietorship register of the Transferee's title to the Property:

"No disposition of the registered estate (other than a charge) by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a certificate signed by the proprietor for the time being of the estate registered under title number (***insert landlord's title number***) or their conveyancer that the provisions of clause 12.7 to clause 12.16 of the transfer dated day of 2010 made between the Transferor (1) and (2) have been complied with or that they do not apply to the disposition."

12.13 Where the Property is transferred:

12.13.1 under a will or intestacy;

12.13.2 under Section 24 or 24A of the Matrimonial Causes Act 1973 or Section 2 of the Inheritance (Provision for Family and Dependants) Act 1975;

12.13.3 under section 17 of the Matrimonial and Family Proceedings Act 1984 (property adjustment orders or orders for the sale of property after overseas divorce, etc);

12.13.4 under paragraph 1 of schedule 1 to the Children Act 1989 (orders for financial relief against parents); or

12.13.5 under part 2 or 3 of Schedule 5 or paragraph 9 of schedule 7, to the Civil Partnership Act 2004 (property adjustment orders, or orders for the sale of property, in connection with civil partnership proceedings or after overseas dissolution of civil partnership;

the provisions of clause 12.7 to clause 12.9 will not apply.

12.14 The Transferee covenants with the Transferor not to dispose of any estate or interest in the Property or any part of it save to :

12.14.1 the Leaseholder under the Lease and on terms that such estate or interest is likewise vested at all times in the person who is also the Leaseholder under the Lease; and

12.14.2 a person who has first given to the Transferor or its successors in title the benefit of the pre-emption contained in clause 12.8 ("**the grantee**") a signed agreement to sell in the form set out in Part 3 of this Schedule 5; and

12.14.3 a person who has first entered into a deed of covenant with the grantee to the like effect as this covenant;

and (as freeholder) not to permit the Leaseholder to grant any underlease of the Premises which would attract the protection of the Leasehold Reform Act 1967 (whether by waiving the restriction in clause 3.19.2 of the Lease or otherwise).

12.15 The Transferee consents to the Transferor making application to the Land Registry to protect the rights contained in clause 12.8 against the Transferee's Title

Number (insert title number)

12.16 The Transferee declares that the Lease shall not merge in the freehold reversion immediately expectant on the determination of the Lease.

12.17 The provisions of Section 196 of the Law of Property Act 1925 (as amended) shall apply to all notices given under this Transfer.

12.18 THE Agreements and Declarations shall apply to this transfer

12.19 The Restrictive Covenants other than clause 12.4.13 shall be enforceable as between the Transferor and the Transferee and as between the purchasers of dwellings on the Development

12.20 On completion of this Transfer the Transferee shall pay to the Transferor any arrears of rent or other matters reserved by the Lease

12.21 The Transferor shall be entitled to sell the Development in such plots or parcels and subject to such rights declarations or covenants as it considers appropriate and shall be entitled to vary the same and vary the layout of the Development as it considers fit

12.22 The Transferor shall include all future owners of part or parts of the remainder of the Development and the Transferee shall include all future owners of the Property

12.23 The Transferor shall not be liable to the Transferee in respect of any breaches of any of the restrictions contained in transfers of any other part of the Development and nothing in this Transfer shall render the Transferor liable to enforce the same

12.24 In this Transfer unless the context otherwise requires the masculine gender shall include the plural number and vice versa and where there are two or more persons included in the expression "the Transferee" covenants expressed to be made by the Transferee shall be deemed to be made by such persons jointly and severally

12.25 It is hereby agreed and declared that the Transferor and their successors in title the owner or owners for the time being of the Development shall have power from time to time to waive or vary or release any of the Restrictive Covenants by any deed or by writing

12.26 It is hereby agreed and declared that the Premises are held by the Transferor as an Exempt Charity

The transferor must execute this transfer as a deed using the space opposite. If there is more than one transferor, all must execute. Forms of execution are given in Schedule 9 to the Land Registration Rules 2003. If the transfer contains transferee's covenants or declarations or contains an application by the transferee (such as for a restriction), it must also be executed by the transferee.

13 Execution

Executed as a deed by
affixing the common seal of
ORBIT GROUP LIMITED (exempt charity)
in the presence of:

....
Authorised signatory

....
Authorised signatory

Signed as a deed by
*
in the presence of:

Signature of witness:

Name:

Address:

Occupation:

WARNING
If you dishonestly enter information or make a statement that you know is, or might be, untrue or misleading, and intend by doing so to make a gain for yourself or another person, or to cause loss or the risk of loss to another person, you may commit the offence of fraud under section 1 of the Fraud Act 2006, the maximum penalty for which is 10 years' imprisonment or an unlimited fine, or both.

Failure to complete this form with proper care may result in a loss of protection under the Land Registration Act 2002 if, as a result, a mistake is made in the register.

Under section 66 of the Land Registration Act 2002 most documents (including this form) kept by the registrar relating to an application to the registrar or referred to in the register are open to public inspection and copying. If you believe a document contains prejudicial information, you may apply for that part of the document to be made exempt using Form EX1, under rule 136 of the Land Registration Rules 2003.

END OF DRAFT TRANSFER AND SCHEDULE 5

Part 3 Form of Agreement

By this Agreement **(•)** ("the Seller") agrees to sell to **(•)** ("the Buyer") the property described in clause 3 of the Transfer dated **(•)** made between Orbit Group Limited (exempt charity) (1) and **(•)** (2) on the terms and subject to the provisions of clause 12.7 to clause 12.16 of such Transfer which terms and provisions are incorporated in this Agreement

The Seller and the Buyer hereby apply to the Chief Land Registrar to enter a restriction in the following form (Form M) in the proprietorship register of the Seller's title to the Property :

"No disposition of the registered estate (other than a charge) by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a certificate signed by Orbit Group Limited of Garden Court, Harry Weston Road, Binley Business Park, Binley, Coventry CV3 2SU or its conveyancers that the provisions of clause 12.7 to clause 12.16 of a transfer dated ( ) and made between Orbit Group Limited (1) and Laura Elise Wise (2) have been complied with or that they do not apply to the disposition"

Signed

and **(•)** agrees to buy the said property on the above terms

Signed

Date: (dated only when signature of acceptance is effected).

SCHEDULE 6 RESTRICTIONS STIPULATIONS AND CONDITIONS

1. Not to use or permit or suffer the Premises to be used for any purpose whatsoever other than as a private dwellinghouse for a single family and garden ancillary thereto and not to do or permit or suffer on or to the Premises any act or thing which shall or may be or become a nuisance damage annoyance or inconvenience to the Landlord or the registered proprietors or occupiers of any other dwelling on the Development

2. Not to erect or plant or suffer to be erected or planted any building erection wall fence gate or hedge on the front garden of the Premises

3. 3.1 To inspect repair maintain reinstate and (where applicable) clean all Service Media which are within the boundaries of the Premises Except such as exclusively serve a single adjoining property on the Development

   3.2 To pay a fair and proper proportion of the expenses from time to time of inspecting repairing and maintaining reinstating and (where applicable) cleaning any Service Media used or to be used in common by the Leaseholder and the registered proprietors of adjoining or neighbouring premises on the Development and adjoining the Development but which are not within the boundaries of the Premises

   3.3 To join with the registered proprietors for the time being of the property adjoining the Premises in repairing maintaining and if necessary reinstating the party wall or walls (if any) referred to in clause 5.5 of this Lease and to pay a fair proportion of the cost of such works

4. To maintain walls fences or hedges on or within the boundaries of the Premises in the positions marked with an inward "T" on the Plan (if any)

5. Not to build or permit or suffer to be built or erected on the Premises any building except the House nor to make any alterations or additions affecting the structure construction or external appearance of any buildings or boundary walls which shall at any time be erected on the Premises except in either case in accordance with plans elevations sections and specifications previously approved by the Landlord and the local Planning Authority and to pay the reasonable charges and expenses of the Landlord in dealing with any such approval

6. Not to park any vehicle caravan trailer or boat of any kind on the Premises so as to be visible from any existing road or path except that:

   6.1 A private motor car may be parked on the driveway or parking space belonging to the Premises

   6.2 Vehicles delivering or collecting goods may be parked temporarily

7. Not without the written consent of the Landlord to erect any external aerial on the Premises except that such consent shall not be required for an aerial that may be erected

in the back garden or fixed to the back wall of the house or to a side wall of the House (other than a side wall facing any part of the new road)

8. Not to leave any dustbin or other refuse container on the Premises so as to be visible from the road or path to which the Premises fronts

9. Not to exhibit any advertisement nameplates placard or notice of any kind upon the Premises except nameplates and house numbers of a reasonable size and notice relating to the sale or letting of the Premises

10. 10.1 Not to lop top or remove or cut down any trees or shrubs on the Premises without the previous consent of the Local Planning Authority and to replace forthwith any such trees or shrubs which wither or perish

10.2 Within ten years from the date hereof to replace within the then next and subsequent planting seasons any failed tree or shrubs upon the Premises (if any) forming part of the Landlord's Local Planning Authority approved tree and shrub planting and landscaping scheme with a healthy specimen of the same genus family species cultivar section and series and to maintain and further replace the same or its replacement (if necessary) during such period

SCHEDULE 7 MANAGEMENT CHARGE

The management charge is to reimburse the Landlord for or to provide an allowance against its costs incurred or to be incurred in connection with the administration and management of and in relation to the Premises such costs to be assessed by the Landlord from time to time and to be varied upon written notice to the Leaseholder by the Landlord

The administration and management costs referred to above shall include (but are not limited to):

1. Insurance premiums paid in respect of the Premises (or any proportion of the premium for any block including the Premises

2. An administration charge in relation to the said insurance policy and any claims under it

3. Management charges and costs incurred in connection with recovering arrears of sums payable from and time spent in responding to and dealing with matters raised by leaseholders

4. Costs and expenses incurred in rent accounting and increases and recovery thereof

5. Administration costs incurred in making mortgage payments in connection with the Unacquired Percentage

6. Costs of Audit

SCHEDULE 8 DEFINED TERMS

In this Lease:

"**Acquired Percentage**" means the percentage figure equal to the aggregate of the Initial Percentage and any Portioned Percentage or Portioned Percentages paid for pursuant to Schedule 5.

"**Communal Facilities**" means (where applicable and insofar as the same may exist) any party walls, fences, gutters, drains, pavements, accessways, passages, courtyards, external paviours, car parks, the Private Drive, Visitor Car Parking Space, service roads, grassed or landscaped areas and any other such amenities or areas which are or may be used or enjoyed by an occupier of the Premises in common with any other person or persons.

"**Default**" means:

(a) the existence of arrears of at least 3 months' payments in respect of the Loan; or

(b) any other breach by the Leaseholder of the terms applicable to the Loan.

"Development" means the land and buildings now or formerly comprised in Title Number NN193596

"**Enforcement Date**" means the date on which the Mortgagee commences its enforcement of any of the security for the Loan by reason of a Default.

"**Final Staircasing**" means the purchase by the Leaseholder from the Landlord of such Portioned Percentage that reduces the Unacquired Percentage to nil.

"House" means the dwellinghouse and car parking space(s) now erected or in course of erection on the Premises hereby demised

"**Landlord**" includes all persons from time to time entitled to the immediate reversion to this Lease.

"**Lease**" includes any documents supplemental to this lease.

"**Leaseholder**" includes the Leaseholder's successors in title and assigns in whom this Lease may for the time being be vested.

"**Loan**" means the loans made by the Mortgagee to the Leaseholder (after first obtaining the Landlord's written consent to each and all such loans) and which loans are secured by a valid and binding first ranking mortgage over the Premises. For the purposes of this definition repayments of capital shall not reduce the Loan.

"**Loss**" means the amount by which the aggregate of:

(a) a sum representing the Loan advanced for the purchase of the Initial Percentage share in the Premises;

(b) the Loan made (if any) to accomplish Final Staircasing in the Premises as part of the enforcement process or as a result of further Loan being made;

(c) Loans for other sums in relation to the Premises or any other purpose;

(d) interest accruing at the rate applicable to the Loan;

(e) costs incurred in relation to the enforcement of the Loan or any security for it (including advances to cover arrears of rent and/or other sums payable under this Lease) provided that the costs of actual disposal shall not exceed 3% of the Market Value at the time;

(f) costs incurred in relation to the protection or preservation of the Loan; and

(g) any other sums due to the Mortgagee in respect of the Loan or any security for it made to the Leaseholder,

(less any repayments which have been made), exceeds the aggregate of:

(a) the gross sale proceeds to be received from a disposal (including a surrender) of the Leaseholders interest in the Premises; and

(b) all amounts (if any) received by the Mortgagee as a result of the enforcement by the Mortgagee of all (if any) security which the Mortgagee may have including, without limitation, all security, guarantees and insurance policies given to the Mortgagee.

"**Market Value**" shall at the date of this Lease mean the Initial Market Value and shall at any subsequent date mean the price which the interest of the Leaseholder would then fetch if sold on the open market by a willing seller and on the assumption that the Unacquired Percentage is nil and disregarding the following matters:

(a) any mortgage of the Leaseholder's interest;

(b) any interest in or right over the Premises created by the Leaseholder;

(c) any improvement made by the Leaseholder or any predecessor in title of his; and

(d) any failure by the Leaseholder or any predecessor in title to carry out the obligations contained in Clause 3.5 and Clause 3.6.

"**Minimum Rent**" means One peppercorn per month (if demanded).

"**Mortgagee**" means a lender who shall have made available to the Leaseholder a Loan (which expression includes its successors and assigns and also any persons for whom the Mortgagee is acting as agent or trustee).

"**Mortgagee Protection Claim**" means the Loss capped at a maximum of the aggregate of:

(a) an amount equivalent to interest on the Loan for a period of 18 months from the Enforcement Date at the interest rate applicable to the Loan immediately before the Enforcement Date;

(b) the Loan;

(c) any amounts advanced by the Mortgagee and applied in discharging any arrears of rent and/or other sums payable under this Lease; and

(d) any costs and fees incurred in enforcing the Mortgagee's security for the Loan (capped at 3% of Market Value at the time of such enforcement).

"**Outgoings**" means (in relation to the Premises) all existing and future rates, taxes, charges, assessments, impositions and outgoings whatsoever (whether parliamentary or local) which are now or may at any time be payable, charged or assessed on property, or the owner or occupier of property.

"**Particulars**" means the Particulars set out in this Lease.

"Plan" means the plan attached

"**Portioned Percentage**" means at any relevant time (including for the avoidance of doubt on the Final Staircasing) the percentage interest in the Premises which the Leaseholder proposes to acquire (or has already acquired) under the provisions of Schedule 5, being a portion of the then Market Value of the Premises up to a maximum of 100%, each Portioned Percentage being at least 10% and no more than 25%, and so that the Portioned Percentage which accomplishes Final Staircasing shall be at least 10%.

"**Premises**" means the premises described in Schedule 1.

"Private Footpath" means the footpath coloured green on the Plan (if any)

"Private Drive" means the driveway coloured brown on the Plan

"Service Charge" means the amount payable in respect of the repair and maintenance of the Communal Facilities as set out in the Specified Proportion of the Service Charge

"**Service Media**" means drains, sewers, conduits, flues, gutters, gullies, channels, ducts, shafts, watercourses, pipes, cables, wires, mains, electrical risers, aerials and any other conducting media

"**Standard Conditions of Sale**" means the Standard Conditions of Sale (Fourth Edition).

"**Term**" means the term of one hundred and twenty five years (125 years) from and including the Commencement Date referred to in the Particulars.

"**Unacquired Percentage**" shall mean the percentage figure equal to 100% less the Acquired Percentage.

"**Valuer**" means an independent expert who is an associate or fellow of the Royal Institution of Chartered Surveyors agreed between the Landlord and the Leaseholder or in default of agreement appointed on the application of either Landlord or Leaseholder by or on behalf of the president of the Royal Institution of Chartered Surveyors.

"Valuer's Certificate" means a written certificate from an associate or fellow of the Royal Institution of Chartered Surveyors confirming the amount of the Market Value for the purposes of clause 3.20.4

"Visitor Car Parking Space" means the parking space so designated by the Landlord from time to time and shown on the Plan

EXECUTION PAGE

The Common Seal of Orbit Group Limited)
as affixed in the presence of:)
)

Authorised Signatory

Authorised Signatory

Executed as a deed by [redacted] in)
the presence of:)
)

EXECUTION PAGE

The Common Seal of Orbit Group Limited)
as affixed in the presence of:)
)

Authorised Signatory

Authorised Signatory

Executed as a deed by [redacted] in) x [redacted]
the presence of:) x WIT SIG
) x WIT NAME
x WIT ADD

P J Ralston
Salterton
9 New Street
Denstey

APPENDIX 1 MEMORANDUM OF STAIRCASING

[redacted]

Premises :

Date of Lease :

Leaseholder :

Landlord :

THIS IS TO RECORD THE FOLLOWING:

On the day of 20 on the payment of £(•) (the "Premium") being (•) % of the Market Value of the Premises as assessed by the Valuer on the 20 the Leaseholder purchased a Portioned Percentage of (•)%.

The total share in the Premises now owned by the Leaseholder is (•)%

The Specified Rent (the rent payable) as from the day of 20 (date of payment of the Premium) is £(•) per annum (subject to review).

Signed by the Leaseholder/for and on behalf of the Landlord.

APPENDIX 2 EXAMPLE OF NOTICE OF RENT INCREASE

To: Leaseholder

[redacted]("the Premises")

The next Rent Review Date under your shared ownership lease of the Premises is **(•)** (20). The rent which you currently pay is **(•)** per month.

The rent which you must pay on and after **(•)** (20) is **(•)** per month.

The new figure of **(•)** per month is calculated as follows:

1. RPI Index for **(•)** (20) was **(•)** (this was the Index on which the rent review in **(•)** (20) was based);

2. The Gross Rent fixed at the rent review in **(•)** (20) was **(•)** per month;

3. RPI Index for **(•)** (20) is **(•)** (this is the Index on which the rent review in **(•)** (20) is being based);

4. The reviewed Gross Rent as at **(•)** (20) is therefore **(•)** per month (being (£**(•)** x $\frac{[\bullet]}{[\bullet]}$) x 1.005)

But because your share of the Premises is currently **(•%)** and our share is **(•%)**, the rent which you must actually pay is only **(•%)** of **(£•)**, which is the sum of **(£•)** per month.

WORKED EXAMPLE:

The notice set out below would have been given in relation to a rent review in November 2008 in the following circumstances:

1. The Lease had Rent Review Dates on 30 September in 2007 and 2008;

2. As at November 2008, the Leaseholder's share in the Premises was 45%;

3. The Gross Rent in November 2007 had been £100 per month (based on the RPI in September 2007), and so the actual rent payable would have been £55 per month (being 55% of £100).

4. The RPI was 208.0 in September 2007, and 218.4 in September 2008.

The next Rent Review Date under your shared ownership lease of the Premises is (30 November 2008**)**. The rent which you currently pay is **(**£55.00**)** per month.

The rent which you must pay on and after (30 November 2008**)** is **(£58.04)** per month.

The figure of (£58.04**)** per month is calculated as follows:

1. RPI Index for **(**September 2007**)** was **(**208.0**)** (this was the Index on which the rent review in **(**November 2007**)** was based);

2. The Gross Rent fixed at the rent review in November 2007 was **(**£100.00**)** per month;

3. RPI Index for **(**September 2008**)** is **(**218.4**)** (this is the Index on which the rent review in **(**November 2008**)** is being based);

The reviewed Gross Rent as at **(**30 November 2008**)** is therefore **(**£105.52**)** per month

(being $\left(100 \times \frac{218.4}{208.0}\right) \times 1.005$)

4. But because your share of the Premises is currently **(**45%**)** and our share is **(**55%**)**, the rent which you must actually pay is only **(**55%**)** of **(**£105.52**)**, which is the sum of **(**£58.04**)** per month.

APPENDIX 3 KEY INFORMATION FOR SHARED OWNERS

This note is intended as a brief guide for Leaseholders (i.e., shared owners) of the key provisions of the Shared Ownership Lease.

All Leaseholders should carefully consider the terms of this note and the attached lease and discuss any issues that arise with his or her solicitor before entering into the lease.

1. HOW DOES SHARED OWNERSHIP WORK?

Under a shared ownership lease, the Leaseholder buys a 'share' of the property and pays rent on the remaining share of the property (which remains in the ownership of the Landlord).

The Leaseholder can buy further shares in the property at the market value of those shares at the time of purchase. Buying further shares is referred to as 'staircasing'. When the Leaseholder owns 100%, he or she can acquire the freehold in the property for no charge.

As the Leaseholder buys further shares, the rent will be reduced proportionately to reflect the fact that the Landlord's interest in the property has reduced.

2. STANDARD LEASE OBLIGATIONS

Although initially the property is not owned outright, the Leaseholder does have the normal responsibilities of a full owner. This means, for example, that the Leaseholder will be obliged to pay 100% of the outgoings relating to the property and to keep the property in good and substantial repair and condition.

The lease also contains other 'standard' obligations on the Leaseholder. For example, the Leaseholder will:

2.1 if applicable, need to contribute towards the costs incurred by the Landlord in providing services;

2.2 need to seek the Landlord's consent before making certain alterations; and

2.3 if applicable, comply with regulations relating to the management of the estate of which the property forms part.

3. RENT REVIEW

The rent will be reviewed periodically at the times set out in the lease. Typically, the rent will be reviewed every year. The reviewed rent will be increased in line with any proportionate increases in the retail prices index (RPI).

The rent will be reviewed on an 'upwards only' basis. This means that the level of rent will not go down when it is reviewed. However, any increase in the rent will be capped at a figure representing the RPI increase plus 0.5%. This means that where the RPI is zero or negative the most the rent can increase by is 0.5%.

A worked example demonstrating how the rent is recalculated at review is set out in Appendix 2 of the lease.

4. DISPOSALS OF OR DEALINGS WITH THE LEASE

4.1 Assignment or Transfer

If the Leaseholder assigns or transfers the lease before he or she staircases to 100% ownership of the property, the Landlord can require the Leaseholder's purchaser to buy (at market value) all remaining shares in the property. This is often referred to as 'back to back' staircasing.

However, back to back staircasing will not be required by the Landlord:

4.1.1 if the lease is transferred or assigned as a result of the divorce or death of the Leaseholder;

4.1.2 if the Leaseholder gives the Landlord notice that he or she wishes to sell its interest in the lease and either the lease is assigned to a person nominated by the Landlord, or, the Leaseholder surrenders (or returns) the Lease to the Landlord (in both cases for a price that is no more that the market value of the Leaseholder's share of the property);

4.1.3 if the Landlord fails to nominate a purchaser, the nominated purchaser fails to purchase the Leaseholder's share or completion of the surrender of the Lease does not take place.

4.2 Subletting

The Leaseholder is not permitted to sub-let or part with possession of the property in any other way until the Leaseholder staircases to 100% ownership of the property.

5. LANDLORD'S RIGHT OF FIRST REFUSAL

With a view to ensuring that the property remains in the ownership of people in need of shared ownership units, there are restrictions on the transfer, assignment and subletting of the property after the Leaseholder staircases to 100% ownership.

If, during the period of 21 years from the date that the Leaseholder staircases to 100% ownership of the property and acquires the freehold, the Leaseholder gives the Landlord notice that he or she wishes to sell the freehold, the Landlord can require the Leaseholder either to transfer the freehold back to the Landlord or to a person nominated by the Landlord. In both cases the price will be no more that the market value of the freehold of the property with vacant possession.

The Landlord's right of first refusal does not apply if the freehold is transferred or assigned as a result of the divorce or death of the Leaseholder.

6. MORTGAGEE PROTECTION PROVISIONS

Loans from banks and building societies to Leaseholders would often require Leaseholders to take out mortgage indemnity insurance or other forms of additional security which would increase the expense to the Leaseholder of acquiring a shared ownership interest in the property. So with the aim of cutting down or avoiding such expense arising (so that mortgage indemnity insurance is not required and encouraging banks and building societies to lend to shared owners), the Landlord agrees that if the Leaseholder defaults the Landlord will compensate the Lender for some part of any loss incurred if the proceeds from the sale of the Leaseholder's share of the property are insufficient. For this reason the Leaseholder's lender will need to obtain the consent of the Landlord to the terms of the Leaseholder's mortgage.

If the Landlord has to cover some of the mortgage debt in this way the Leaseholder will become liable to pay the Landlord back. In such cases the Landlord will be able to pursue the Leaseholder to recover its loss and may also enforce any other security guarantees or insurance that were originally granted to the Lender.

To assist the Landlord and the Lender in operating these compensation provisions, by signing the lease the Leaseholder authorises the Landlord and the Lender to exchange personal information relating to the Leaseholder in relation to various matters, including the terms of the lease, details of any arrears and any loan secured against the property.

7. IMPORTANT NOTICE REGARDING PAYMENT OF THE RENT AND LEASE OBLIGATIONS

You need to be aware that if the Leaseholder fails to pay the rent reserved by the Lease and/or fails to observe and perform his or her obligations in the Lease the Landlord may be entitled to terminate the lease (subject to the Landlord obtaining any necessary court order. If the lease is terminated the Leaseholder will lose (and will not be entitled to any compensation for), any shares in the property which he or she had acquired.

8. VARIATIONS TO THE STANDARD FORM LEASE

Paragraphs 1 to 7 above summarise the key terms of the standard form Shared Ownership Lease issued by the Homes and Communities Agency.

The Landlord summarises below the terms of the lease that materially depart from the standard form:

None

This guidance note does not form part of the Lease and is not to be taken into account in the interpretation of any provision in the Lease. It is important that the Leaseholder gets legal advice before entering into the Lease.