



## HEADS OF TERMS FOR A LEASE

(A) The Firestone Society Limited intends to grant The Plymouth Lighthouse Project CIC a lease on the following heads of terms. These heads of terms are not intended to create any legally binding obligations. They are subject to contract, completion of formally executed legal documentation and approval of the board of The Firestone Society Limited

(B) The proposed lease may contain further terms as The Firestone Society Limited may require, including additional terms on matters that are covered in this document.

### **Agreed terms**

#### **1. Landlord**

The Firestone Society Limited

Country of incorporation/registration: England and Wales

Community Benefit Society number: 8669

Registered office address: 95 Durnford Street, Plymouth, England, PL1 3QW

#### **2. Tenant**

The Plymouth Lighthouse Project CIC

Trading as: Firestone Plymouth

Country of incorporation/registration: England and Wales

Company number: 10809589

Registered office address: 95 Durnford Street, Plymouth, England, PL1 3QW

#### **3. Property**

95 Durnford Street, Plymouth, England, PL1 3Q

#### **4. Term**

4.1 The lease will be for a term of TWENTY-FIVE years beginning on [[DATE]]

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

4.3 The tenant will have the right to break the lease at the end of the FIFTH, TENTH, FIFTEENTH AND TWENTIETH year of the term, provided all money due under the lease has been paid up to that date and the tenant has in all material respects complied with its obligations in the lease. To exercise the right to break, the tenant must give the landlord SIX months' prior written notice.

## **5. Rent and rent review**

5.1 The rent will be £34,000 for the first year, exclusive of VAT, rates, service charges, insurance premiums and all other outgoings, rising annually in line with CPI.

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

5.3 There will be no rent-free period.

5.4 The rent will be reviewed with effect from FIVE YEARS FROM THE DATE OF COMMENCEMENT OF THE LEASE and every five years after that date.

5.5 The rent review will be upwards only and on an open market basis.

## **6. Insurance**

6.1 The landlord will insure the property and the tenant will refund the premiums on demand.

6.2 The landlord will extend its insurance to terrorist risk (as long as that insurance is available on reasonable terms).

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

## **7. Use**

7.1 The property can only be used as a 10 bedroom house in multiple occupation with an office for a visiting support worker, in accordance with Plymouth City Council Planning Permission reference 17/02444/FUL and for the social purpose of providing accommodation and support for people recovering from addiction

## **8. Assignments and underleases**

- 8.1 The tenant can assign the lease with the landlord's prior written consent, which cannot be unreasonably withheld. The tenant will always be required to give an authorised guarantee agreement in respect of any assignee of the lease.
- 8.2 The tenant can underlet the whole of the property with the landlord's prior written consent, which cannot be unreasonably withheld.
- 8.3 The tenant cannot underlet any part of the property.
- 8.4 The tenant can share occupation of the property with any company in the same group of companies as the tenant.

## **9. Repair**

- 9.1 The lease will be a full repairing lease with the tenant responsible for all repairs.
- 9.2 The tenant will not be obliged to repair damage caused by an uninsurable risk.
- 9.3 The repairing obligation will be limited to the current state of condition of the Premises by a schedule of condition to be prepared by the tenant before the lease is signed

## **10. Alterations**

- 10.1 The tenant can make structural or external alterations to the property with the landlord's prior written consent, which cannot be unreasonably withheld.
- 10.2 The tenant can make internal alterations to the property with the landlord's prior written consent, which cannot be unreasonably withheld.
- 10.3 The tenant can put up signs on the outside of the property or that would be visible from the outside of the property with the landlord's prior written consent, which cannot be unreasonably withheld.

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

- 11.1 The tenant must obtain the landlord's written consent before carrying out any fitting-out works to the property. The landlord requires 3 copies of the drawings and specification showing the proposed fitting out works as soon as possible.
- 11.2 The tenant's fitting-out works will be paid for by the tenant and will be disregarded at rent review.

**12. Landlord's works**

The property will be let as seen.

**13. Conditions**

The grant of the lease will be subject to The Firestone Society Limited owning the freehold of the property.

**14. Costs**

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

**15. Conveyancers**

15.1 The landlord's conveyancer is Wolferstans LLP for the attention of James Bird

15.2 The tenant's conveyancer is to be confirmed

[Signed by the parties and dated]