

APPENDIX 4 - Summaries of the obligations under the four types of leases

Lease of Part

This is a summary of the main obligations contained in the current Lease of Part in place and employed by Network Homes Limited in relation to the temporary accommodation portfolio they manage which the Council intends to take over.

The Tenant must comply with the following covenants under Clause 2 of the Lease

1.1 The Tenant shall pay the Rent at the times and manner set out in the Lease.

1.2 The Tenant shall pay (or ensure payment is made by the Tenant's sub-Tenant as the case may be) all existing and future council tax or any replacement tax and water rates electricity gas and telephone charges, provided that:

(i) such charges are made directly by the service supplier to the Property or its Occupier and

(ii) in the case of water rates electricity gas or telephone charges the service is supplied to the Property exclusively by the service supplier

1.3 The Tenant must keep the interior of the Property and all the internal Landlord's fixtures therein clean and in a habitable state of repair and in condition (excluding those parts of the Property the repair and maintenance of which are the Landlord's responsibility as defined in clause 3.3, page 7 of the Lease) PROVIDED THAT:

(i) The Tenant shall not be liable for repairs covered by the Insured Risks

(ii) The Tenant's liability shall not extend to works of repair occasioned by fair wear and tear

(iii) Without prejudice to the Landlords liability for repair the Tenant shall not be liable to carry out any repairs in respect of any outbreak of dry or wet rot rising or penetrating damp infestation by beetles rodents (including rats and mice), squirrels, birds, slugs, cockroaches, ants, wasps, hornets and bees or other vermin

(iv) The Landlord shall not require the Tenant during or at the termination of the Term to repair replace or renew or leave in the Property any of the Furnishings nor (without prejudice to the general description of the Furnishings) the floor coverings or carpets any curtains or any cookers refrigerators washing machines or dishwashers nor shall the Tenant be required to redecorate the Property and the Tenant shall be entitled to dispose of any such items without paying any compensation to the Landlord

5.4 Under the Lease, the Tenant is not liable for any defect *existing but not visible* at the commencement date of the Lease, or any defect due to defective design or defective workmanship. We therefore recommend that a survey report be carried out prior to assignment of the portfolio to determine the condition of the properties.

5.5 As the Tenant the Council will not be permitted at any time to make any structural alterations or additions to the Property, nor cut maim or remove any of the party or structural

walls or partitions or the principal or load bearing timbers or iron and steel or other supports thereof, nor carry out any development thereto (within the meaning of any legislation for the time being relating to Town and Country Planning) without the previous consent of the Landlord.

5.6 In relation to assignment provisions, the Tenant is:

- (i) not permitted to assign transfer underlet charge or part with the possession of the Property save as hereinafter permitted
- (ii) permitted to assign this Lease to a Permitted Assignee (iii) may underlet the Property to an Occupier or Occupiers provided such underlettings are pursuant to Assured Shorthold Tenancy Agreements pursuant to Section 20 of the Housing Act 1988 as amended by the Housing Act 1996 The current Tenant is permitted to grant a Non Secure Tenancy Agreement to the Council which for the avoidance of doubt shall include the right for the Council to grant Sub-Licences for the Property in accordance with the terms of the Non Secure Tenancy Agreement (see clause 2.6.3 of the Lease).

5.7 At the expiration or sooner determination of this Lease, the Tenant is to yield up to the Landlord the Property with vacant possession and in these circumstances, the Tenant's only liability at the expiration shall be to leave the Property in a reasonably clean condition and cleared of the occupant's rubbish only. The Tenant shall have no liability for repairing any Furnishings nor replacing any missing Furnishings whether supplied by the Landlord or not.

5.8 The Tenant is to permit the Landlord or the tenants or occupiers of the adjoining or neighbouring property or their agents or workmen at reasonable hours in the daytime after giving the Tenant 7 days written notice which shall not be required in the case of emergency to enter upon the Property for the purpose of executing necessary repairs or alterations to or upon any part of the Property or for the purpose of constructing laying down altering cleansing emptying removing renewing or maintaining any existing or new Conduits now laid or hereafter to be laid in or upon the Property or any part thereof including the Property PROVIDED THAT the person or persons carrying out such work carries out the work without delay and causing as little damage as possible and makes good to the Tenant and Occupier all damage thereby occasioned

5.9 Not without the Landlord's consent to use or permit the use of the Property other than for the purposes of the user of the property for temporary accommodation.

5.8 The Tenant is not permitted to occupy the Property itself.

Lease of Whole

This is a summary of the main obligations contained in the current Lease of Whole in place and employed by Network Homes Limited in relation to the temporary accommodation portfolio they manage which the Council intends to take over.

The Tenant must comply with the following covenants under Clause 2 of the Lease

5.1 The Tenant shall pay the Rent at the times and manner set out in the Lease.

5.2 The Tenant shall pay (or ensure payment is made by the Tenant's sub-Tenant as the case may be) all existing and future council tax or any replacement tax and water rates electricity gas and telephone charges, provided that: (i) such charges are made directly by the service supplier to the Property or its Occupier and (ii) in the case of water rates electricity gas or telephone charges the service is supplied to the Property exclusively by the service supplier

5.3 The Tenant must keep the interior of the Property and all the internal Landlord's fixtures therein clean and in a habitable state of repair and in condition (excluding those parts of the Property the repair and maintenance of which are the Landlord's responsibility as defined in clause 3.3, page 7 of the Lease) PROVIDED THAT:

(i) The Tenant shall not be liable for repairs covered by the Insured Risks

(ii) The Tenant's liability shall not extend to works of repair occasioned by fair wear and tear

(iii) Without prejudice to the Landlords liability for repair the Tenant shall not be liable to carry out any repairs in respect of any outbreak of dry or wet rot rising or penetrating damp infestation by beetles rodents (including rats and mice), squirrels, birds, slugs, cockroaches, ants, wasps, hornets and bees or other vermin

(iv) The Landlord shall not require the Tenant during or at the termination of the Term to repair replace or renew or leave in the Property any of the Furnishings nor (without prejudice to the general description of the Furnishings) the floor coverings or carpets any curtains or any cookers refrigerators washing machines or dishwashers nor shall the Tenant be required to redecorate the Property and the Tenant shall be entitled to dispose of any such items without paying any compensation to the Landlord

5.4 Under the Lease, the Tenant is not liable for any defect *existing but not visible* at the commencement date of the Lease, or any defect due to defective design or defective workmanship. **We therefore recommend that a survey report be carried out prior to assignment of the portfolio to determine the condition of the properties.**

5.5 As the Tenant the Council will not be permitted at any time to make any structural alterations or additions to the Property, nor cut maim or remove any of the party or structural walls or partitions or the principal or load bearing timbers or iron and steel or other supports thereof, nor carry out any development thereto (within the meaning of any legislation for the time being relating to Town and Country Planning) without the previous consent of the Landlord.

5.6 In relation to assignment provisions, the Tenant is:

(i) not permitted to assign transfer underlet charge or part with the possession of the Property save as hereinafter permitted

(ii) permitted to assign this Lease to a Permitted Assignee

(iii) may underlet the Property to an Occupier or Occupiers provided such underlettings are pursuant to Assured Shorthold Tenancy Agreements pursuant to Section 20 of the Housing Act 1988 as amended by the Housing Act 1996 The current Tenant is permitted to grant a Non Secure Tenancy Agreement to the Council which for the avoidance of doubt shall include the right for the Council to grant Sub-Licences for the Property in accordance with the terms of the Non Secure Tenancy Agreement (see clause 2.6.3 of the Lease).

5.7 At the expiration or sooner determination of this Lease, the Tenant is to yield up to the Landlord the Property **with vacant possession** and in these circumstances, the Tenant's only liability at the expiration shall be to leave the Property in a reasonably clean condition and cleared of the occupant's rubbish only. The Tenant shall have no liability for repairing any Furnishings nor replacing any missing Furnishings whether supplied by the Landlord or not.

5.8 The Tenant is to permit the Landlord or the tenants or occupiers of the adjoining or neighbouring property or their agents or workmen at reasonable hours in the daytime after giving the Tenant 7 days written notice which shall not be required in the case of emergency to enter upon the Property for the purpose of executing necessary repairs or alterations to or upon any part of the Property or for the purpose of constructing laying down altering cleansing emptying removing renewing or maintaining any existing or new Conduits now laid or hereafter to be laid in or upon the Property or any part thereof including the Property PROVIDED THAT the person or persons carrying out such work carries out the work without delay and causing as little damage as possible and makes good to the Tenant and Occupier all damage thereby occasioned

5.9 Not without the Landlord's consent to use or permit the use of the Property other than for the purposes of the user of the property for temporary accommodation.

5.10 The Tenant is not permitted to occupy the Property itself.

RENEWAL LEASE OF WHOLE

This is a summary of the main obligations contained in the current Renewal Lease of Whole in place and employed by Network Homes Limited in relation to the temporary accommodation managed by them which the Council intends to take over.

5. Covenants to be Observed by the Tenant

The Tenant must comply with the following covenants under Clause 2 of the Lease

5.1 The Tenant shall pay the Rent at the times and manner set out in the Lease.

5.2 The Tenant shall pay (or ensure payment is made by the Tenant's sub-Tenant as the case may be) all existing and future council tax or any replacement tax and water rates electricity gas and telephone charges, provided that:

(i) such charges are made directly by the service supplier to the Property or its Occupier and

(ii) in the case of water rates electricity gas or telephone charges the service is supplied to the Property exclusively by the service supplier

5.3 The Tenant must keep the interior of the Property and all the internal Landlord's fixtures therein clean and in a habitable state of repair and in condition (excluding those parts of the Property the repair and maintenance of which are the Landlord's responsibility as defined in clause 3.3, page 7 of the Lease) PROVIDED THAT:

(i) The Tenant shall not be liable for repairs covered by the Insured Risks

(ii) The Tenant's liability shall not extend to works of repair occasioned by fair wear and tear

(iii) Without prejudice to the Landlords liability for repair the Tenant shall not be liable to carry out any repairs in respect of any outbreak of dry or wet rot rising or penetrating damp infestation by beetles rodents (including rats and mice), squirrels, birds, slugs, cockroaches, ants, wasps, hornets and bees or other vermin

(iv) The Landlord shall not require the Tenant during or at the termination of the Term to repair replace or renew or leave in the Property any of the Furnishings nor (without prejudice to the general description of the Furnishings) the floor coverings or carpets any curtains or any cookers refrigerators washing machines or dishwashers nor shall the Tenant be required to redecorate the Property and the Tenant shall be entitled to dispose of any such items without paying any compensation to the Landlord.

5.4 Under the Lease, the Tenant is not liable for any defect *existing but not visible* at the commencement date of the Lease, or any defect due to defective design or defective workmanship. **We therefore recommend that a survey report be carried out prior to assignment of the portfolio to determine the condition of the properties.**

5.5 As the Tenant the Council will not be permitted at any time to make any structural alterations or additions to the Property, nor cut maim or remove any of the party or structural walls or partitions or the principal or load bearing timbers or iron and steel or other supports

thereof, nor carry out any development thereto (within the meaning of any legislation for the time being relating

5.6 In relation to assignment provisions, the Tenant is:

(i) not permitted to assign transfer underlet charge or part with the possession of the Property save as hereinafter permitted

(ii) permitted to assign this Lease to a Permitted Assignee

(iii) may underlet the Property to an Occupier or Occupiers provided such underlettings are pursuant to Assured Shorthold Tenancy Agreements pursuant to Section 20 of the Housing Act 1988 as amended by the Housing Act 1996

The current Tenant is permitted to grant a Non Secure Tenancy Agreement to the Council which for the avoidance of doubt shall include the right for the Council to grant Sub-Licences for the Property in accordance with the terms of the Non Secure Tenancy Agreement (see clause 2.6.3 of the Lease).

5.7 At the expiration or sooner determination of this Lease, the Tenant is to yield up to the Landlord the Property **with vacant possession** and in these circumstances, the Tenant's only liability at the expiration shall be to leave the Property in a reasonably clean condition and cleared of the occupant's rubbish only. The Tenant shall have no liability for repairing any Furnishings nor replacing any missing Furnishings whether supplied by the Landlord or not.

5.8 The Tenant is to permit the Landlord or the tenants or occupiers of the adjoining or neighbouring property or their agents or workmen at reasonable hours in the daytime after giving the Tenant 7 days written notice which shall not be required in the case of emergency to enter upon the Property for the purpose of executing necessary repairs or alterations to or upon any part of the Property or for the purpose of constructing laying down altering cleansing emptying removing renewing or maintaining any existing or new Conduits now laid or hereafter to be laid in or upon the Property or any part thereof including the Property PROVIDED THAT the person or persons carrying out such work carries out the work without delay and causing as little damage as possible and makes good to the Tenant and Occupier all damage thereby occasioned

5.7 Not without the Landlord's consent to use or permit the use of the Property other than for the purposes of the user of the property for temporary accommodation.

5.8 The Tenant is not permitted to occupy the Property itself.

RENEWAL LEASE OF PART

This is a summary of the main obligations contained in the current Renewal Lease of Part in place and employed by Network Homes Limited in relation to the temporary accommodation portfolio they manage which the Council intends to take over.

5. Covenants to be Observed by the Tenant

The Tenant must comply with the following covenants under Clause 2 of the Lease

5.1 The Tenant shall pay the Rent at the times and manner set out in the Lease.

5.2 The Tenant shall pay (or ensure payment is made by the Tenant's sub-Tenant as the case may be) all existing and future council tax or any replacement tax and water rates electricity gas and telephone charges, provided that:

(i) such charges are made directly by the service supplier to the Premises or its Occupier and

(ii) in the case of water rates electricity gas or telephone charges the service is supplied to the Premises exclusively by the service supplier

5.3 There appears to be a typographical error at Clause 2.3 of this Lease and this is to be verified with Network Homes Limited. that the Tenant must keep the interior of the **Property** and all the internal Landlord's fixtures therein clean and in a habitable state of repair and in condition (excluding those parts of the Property the repair and maintenance of which are the Landlord's responsibility as defined in clause 3.3, page 7 of the Lease) – **we consider that it was intended to read that the Tenant must keep the Premises in a clean and habitable.** This obligation is PROVIDED THAT:

(i) The Tenant shall not be liable for repairs covered by the Insured Risks

(ii) The Tenant's liability shall not extend to works of repair occasioned by fair wear and tear

(iii) Without prejudice to the Landlords liability for repair the Tenant shall not be liable to carry out any repairs in respect of any outbreak of dry or wet rot rising or penetrating damp infestation by beetles rodents (including rats and mice), squirrels, birds, slugs, cockroaches, ants, wasps, hornets and bees or other vermin

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(ii) permitted to assign this Lease to a Permitted Assignee

(iii) may underlet the Premises to an Occupier or Occupiers provided such underlettings are pursuant to Assured Shorthold Tenancy Agreements pursuant to Section 20 of the Housing Act 1988 as amended by the Housing Act 1996

The current Tenant is permitted to grant a Non Secure Tenancy Agreement to the Council which for the avoidance of doubt shall include the right for the Council to grant Sub-Licences for the Premises in accordance with the terms of the Non Secure Tenancy Agreement (see clause 2.6.3 of the Lease).

5.7 At the expiration or sooner determination of this Lease, the Tenant is to yield up to the Landlord the Premises **with vacant possession** and in these circumstances, the Tenant's only liability at the expiration shall be to leave the Premises in a reasonably clean condition and cleared of the occupant's rubbish only. The Tenant shall have no liability for repairing any Furnishings nor replacing any missing Furnishings whether supplied by the Landlord or not.

5.8 The Tenant is to permit the Landlord or the tenants or occupiers of the adjoining or neighbouring property or their agents or workmen at reasonable hours in the daytime after giving the Tenant 7 days written notice which shall not be required in the case of emergency to enter upon the Premises for the purpose of executing necessary repairs or alterations to or upon any part of the Property or for the purpose of constructing laying down altering cleansing emptying removing renewing or maintaining any existing or new Conduits now laid or hereafter to be laid in or upon the Property or any part thereof including the Premises PROVIDED THAT the person or persons carrying out such work carries out the work without delay and causing as little damage as possible and makes good to the Tenant and Occupier all damage thereby occasioned

5.7 Not without the Landlord's consent to use or permit the use of the Premises other than for the purposes of the user of the premises for temporary accommodation.

5.8 The Tenant is not permitted to occupy the Premises itself.