

3097



**FIRST-TIER TRIBUNAL  
PROPERTYCHAMBER  
(RESIDENTIAL PROPERTY)**

**Case Reference** : LON/00BH/OLR/2015/0779

**Property** : Ground floor Flat, 67 Ulverston Road, Walthamstow, London E17 4BN

**Applicant/Claimant** : Claire Marie Connolly

**Representative** : Cavendish Legal Group

**Respondents/Defendants** : Peter Sheldon and Christine Margret Smith

**Representatives** : N/A

**Type of Application** : Leasehold Reform Housing and Urban Development Act 1993: sections 50& 51 (missing landlord)

**Tribunal** :  
1. Mr A Vance, Tribunal Judge  
2. Mr P Casey, MRICS

**Date and venue of Hearing** : Paper hearing on 3 June 2015 at 10 Alfred Place, London, WC1E 7LR

**Date of Decision** : 9 June 2015

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**DECISION**

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## Decisions of the Tribunal

1. The Tribunal makes the determinations as set out under the various headings in this Decision
2. This matter should now be referred back to Bow County Court.

## Background

3. This is an application under sections 50 and 51 of the Leasehold Reform Housing and Urban Development Act 1993 (the "1993 Act") for determination of the term of a new lease to be granted the Applicant and for the determination of the premium and other sums (if any) to be paid to the Respondents.
4. Numbers appearing below in square brackets refer to pages in the hearing bundle provided by the Applicant.
5. Extracts of the key relevant legislation are at Appendix 1 to this decision.
6. Proceedings were originally issued in the Bow County Court under claim no. BO1BO063 [1]-[2]. The date of issue of the claim is 17 March 2015.
7. The claim was transferred to this Tribunal, by order of District Judge Pigram dated 23 March 2015 (the "County Court Order") [40]-[41] for the Tribunal to determine:
  - 7.1. the terms of the new lease of the Applicant's flat (as if she had, as at the date of issue of the County Court claim, given notice under section 42 of the 1993 Act); and
  - 7.2. The amount of the premium and any other amounts (if any) payable under Schedule 13 of the 1993 Act by the Applicant in connection with the grant of the new lease.
8. The Applicant is the leasehold owner of Ground floor Flat, 67 Ulverston Road, Walthamstow, London E17 4BN (the "Flat"). The Flat is located in an end of terrace house built in the early 20th Century and converted into three flats (the "Building").
9. The Applicant's lease (the "Lease") was granted by the Respondents to (1) Probert Nemeth and (2) Mandy Annette Nemeth for a term of 99 years commencing on 1 December 2013. The Lease reserves a ground rent of £50 a year for the first 33 years rising to £100 for the second 33 years and then to £150 for the remainder of the term. The Applicant purchased the Flat on 26 April 2010 for £180,000 and her leasehold interest was registered on 16 September 2010 [80].

10. In the County Court and in this Tribunal application the Applicant's asserted claim was that the whereabouts of the Respondents was unknown and that they had been missing since the Applicant purchased the Flat in 2010. This was accepted by the County Court and the County Court Order records that it was satisfied that the Respondents could not be found.
11. The County Court duly made a vesting order which is contained in the County Court Order. On the making of that order the Applicant therefore became entitled to a new lease of her flat for the residue of the term of her lease plus an additional 90 years, at a peppercorn rent, on such terms and on the payment of such a premium determined in accordance with Schedule 13 to the 1993 Act as this Tribunal may determine.
12. Directions were issued by the Tribunal and the matter was heard by way of a paper determination on 3 June 2015.

### **Inspection**

13. The Applicant did not request that the Tribunal inspect the Flat or Building and we did not consider it necessary or proportionate to do so.

### **The evidence before the Tribunal**

14. The evidence before the Tribunal comprises the valuation report of Ms Genevieve Mariner FRICS dated 15 May 2015 of Strettons Chartered Surveyors. Ms Mariner calculated the premium payable to be £18,300.
15. Her report contains a formal Statement of Truth confirming that the facts and matters referred to in her report that are within her own knowledge are believed by her to be true and includes a statement of compliance confirming that she understands her duty to this Tribunal as an expert witness.
16. The Tribunal is satisfied that her report is impartial and objective and is satisfied that the method she has adopted is appropriate to determine the premium payable for the new lease of the Property.
17. The Tribunal carried out its own checks on the information and calculations provided by Ms Mariner but do not diverge from her valuation.

### **The statutory basis of valuation**

18. Schedule 13 to the Act provides that the premium to be paid by a tenant for the grant of a new lease shall be the aggregate: (a) of the diminution in the value of the landlord's interest in the tenant's flat; (b) the

landlord's share of the marriage value; and (c) the amount of any compensation payable for other loss. An equivalent amount is also payable to any intermediate landlord in respect of their interest.

19. The value of the landlord's interests before and after the grant of the new lease is the amount which at the valuation date that interest might be expected to realise if sold on the open market by a willing seller (with neither the tenant nor any owner of an intermediate leasehold interest buying or seeking to buy) on the assumption that the tenant has no rights under the Act to acquire any interest in any Property containing the tenant's flat or to acquire any new lease.
20. Paragraph 4 of the Schedule, as amended, provides that the landlord's share of the marriage value is to be 50%, and that where the unexpired term of the lease exceeds eighty years at the valuation date the marriage shall be taken to be nil. Paragraph 5 provides for the payment of compensation for loss arising out of the grant of a new lease.
21. Schedule 13 also provides for the valuation of any intermediate leasehold interests, and for the apportionment of the marriage value.

### **Valuation**

22. Ms Mariner states that the flat comprises a reception room, kitchen and bathroom at ground floor level with steps down to the rear ground floor where there are two bedrooms. She records that the approximate gross internal area is 600 ft<sup>2</sup>. The Applicant has the sole use of the rear garden.
23. She states that the windows are single glazed with timber sash windows and that there is space heating and hot water provided by a combination boiler. In her view, the building presents poorly. The internal condition of the Flat is described as in poor order with significant penetrating damp present. The damp is at its worst at the rear of the Flat. Plaster on the walls is blown and has fallen away and there is a strong smell of damp. She considers that its present condition the Flat is not capable of being let nor sold if mortgage finance is needed. She also considers that the Building has been poorly maintained with a section of brick work under the roof of the back addition missing. External joinery is poor and a down pipe has separated.
24. The valuation date prescribed by section 51(1) of the Act is the date of the Applicant's application to the Court, namely 17 March 2015.
25. As stated in Ms Mariner's report the unexpired residue of the Lease at the date of valuation was 67.71 years.
26. Ms Mariner's assessment of the value of the new lease to be granted to the Applicant is based on evidence of sales of four comparable flats in the

area. 1A Northbank Road is a two-bedroom ground floor flat conversion with a garden and a 125 year lease sold which for £250,000 in December 2014. Ground Floor Flat, 208 St Johns Road, another two bedroom flat sold in December for £286,000 and was described as larger than average for a ground floor flat. Ground Floor Flat, 124 St Johns Road, another two bedroom property sold for £265,000 in December 2014. It had its own rear garden and a lease in excess of 950 years. Finally, 27 Northbank Road, an ex-Warner Estates two bedroom ground floor maisonette with its own front door and garden sold for £330,000 in March 2015 with a long lease and with a gross internal area that is about 60ft<sup>2</sup> larger than the Flat.

27. From the sales of these comparable flats, adjusted for differences in time between the sales and the valuation date, Ms Mariner's draws the conclusion that the market value of the Flat would be £275,000 on a long lease. She makes no adjustments for any tenant improvements to the Flat. She correctly identifies that the Lease requires the lessee to well and substantially repair and keep the demised premises and has therefore ignored the condition of the Flat, to the extent that it is the result of the lessee's failure to comply with her lease obligations, and has valued it in good condition having regards to age, type and locality.
28. The Tribunal considers the comparable sales evidence provided by Ms Mariner fully supports her valuation of £275,000 for the extended lease of the Flat with vacant possession and accepts it.
29. Ms Mariner arrived at her valuation of the unexpired residue of the current Lease by first adjusting that figure of £275,000 by 1% to arrive at the virtual freehold vacant possession value of the Flat. In the Tribunal's experience this is an appropriate adjustment for a property in Outer London. This adjustment produces a figure of £277,750.
30. As she found no empirical market evidence to assist her in determining the value of the unexpired residue of the Lease she had regard to the average of the RICS Graphs of Relativity for Outer London and the Rest of England. These graphs express the value of unexpired lease terms of varying lengths as a percentage of freehold value. She adjusted the assumed freehold value by a factor of 89.95% for a lease with 67.71 years unexpired.
31. Applying its own knowledge from other similar cases, the Tribunal accepts that that for leases of this duration a relativity of around this sum is correct and consistent with the average of the assessments of agents specialising in Outer London property as represented on the RICS published graphs of leasehold/freehold relativity. The Tribunal accepts that approach to be appropriate and that by adopting an average of the values the effect of the drawbacks of the individual graphs is minimised.

32. Applying 89.95% to the virtual freehold vacant possession value of £277,750 produces a value for the current Lease as held by the Applicant, as at the valuation date, of £249,836.
33. The diminution in the value of the landlord's interest in the tenant's flat is represented first by the capitalised value of the grounds rent receivable under the Lease which will be surrendered and replaced by a peppercorn rent under the terms of the Act. That income stream is capitalised by Ms Mariner at 7%, which the Tribunal accepts is appropriate in this case given the relatively low ground rent.
34. Next, the effect of the grant of the new lease will be to defer the landlord's freehold reversion for a further 90 years, thereby for practical purposes depriving the landlord of the current value of the freehold reversion indefinitely. The present value of the reversion is determined by applying a deferment rate to the freehold value of £277,750. The deferment rate appropriate for leasehold flats in Central London was authoritatively determined to be 5% in the case of *Earl Cadogan v Sportelli (2006) LRA/50/2005*. Ms Mariner has also adopted the Sportelli deferment rate of 5% which the Tribunal accepts.
35. Marriage value is the difference between (on the one hand) the aggregate value of the interests of the leaseholder and the landlord before the new lease; and (on the other) the aggregate value after the grant of the new lease. It is to be shared equally between the parties, as required by the Act.
36. The Tribunal therefore accepts Ms Mariner's valuation and the premium payable for the acquisition of the new lease in accordance with section 56 and Schedule 13 of the Leasehold Reform, Housing and Urban Development Act 1993 is therefore **£18,300**. A copy of Ms Mariner's report is attached to this decision as Annex 2.
37. The Tribunal does not consider that any compensation for loss arising out of the grant of a new lease is payable to the Respondents under paragraph 5 of Schedule 13 of the 1993 Act.

### Lease terms

38. The Applicant's solicitors have prepared a draft Deed of Surrender and Re-Grant which the Tribunal is invited to approve. A copy is attached to this decision as Annex 3. It provides for the surrender of the Lease and the grant of a new term of 189 years in accordance with section 56(1) of the Act. The terms of the new lease are the same as those of the previous Lease, which is incorporated by reference.
39. The Tribunal is satisfied that the terms proposed are appropriate for the new lease to be granted to the Applicant with the following amendments:

- (a) The commencement date for the new term should be 1 December 1983 and not 22 December 1983; and
- (b) At clause 2.4. of the lease the words "*and the Landlord has agreed to do so*" should be replaced with the words "*and the Landlord has been ordered to do so*";
- (c) At clause 2.5 of the lease the words "*it has been agreed between the parties*" should be replaced with the words "*it has been ordered by the Court*";
- (d) Clause 4 should be deleted as there is no agreement by the Landlord in respect of the Tenant's fixtures; and
- (e) The reference to "full limited title guarantee" at paragraph 5 of the Deed is incorrect and this should be amended to "limited title guarantee".

**Amran Vance      9 June 2015**

## APPENDIX 1

### Leasehold Reform, Housing and Urban Development Act 1993

#### Section 50 - Applications where landlord cannot be found.

(1) Where—

- (a) a qualifying tenant of a flat desires to make a claim to exercise the right to acquire a new lease of his flat, but
- (b) the landlord cannot be found or his identity cannot be ascertained,

the court may, on the application of the tenant, make a vesting order under this subsection.

(2) Where—

- (a) a qualifying tenant of a flat desires to make such a claim as is mentioned in subsection (1), and
- (b) paragraph (b) of that subsection does not apply, but
- (c) a copy of a notice of that claim cannot be given in accordance with Part I of Schedule 11 to any person to whom it would otherwise be required to be so given because that person cannot be found or his identity cannot be ascertained,

the court may, on the application of the tenant, make an order dispensing with the need to give a copy of such a notice to that person.

(3)–(6) [.....]



Section 51 - Supplementary provisions relating to vesting orders under section 50(1).

- (1) A vesting order under section 50(1) is an order providing for the surrender of the tenant's lease of his flat and for the granting to him of a new lease of it on such terms as may be determined by a leasehold valuation tribunal to be appropriate with a view to the lease being granted to him in like manner (so far as the circumstances permit) as if he had, at the date of his application, given notice under section 42 of his claim to exercise the right to acquire a new lease of his flat.
- (2) If a leasehold valuation tribunal so determines in the case of a vesting order under section 50(1), the order shall have effect in relation to property which is less extensive than that specified in the application on which the order was made.
- (3) Where any lease is to be granted to a tenant by virtue of a vesting order under section 50(1), then on his paying into court the appropriate sum there shall be executed by such person as the court may designate a lease which—
  - (f) is in a form approved by a leasehold valuation tribunal, and
  - (g) contains such provisions as may be so approved for the purpose of giving effect so far as possible to section 56(1) and section 57 (as that section applies in accordance with subsections (7) and (8) below);and that lease shall be effective to vest in the person to whom it is granted the property expressed to be demised by it, subject to and in accordance with the terms of the lease.
- (4) In connection with the determination by a leasehold valuation tribunal of any question as to the property to be demised by any such lease, or as to the rights with or subject to which it is to be demised, it shall be assumed (unless the contrary is shown) that the landlord has no interest in property other than the property to be demised and, for the purpose of excepting them from the lease, any minerals underlying that property.
- (5) The appropriate sum to be paid into court in accordance with subsection (3) is the aggregate of—

- (a) such amount as may be determined by a leasehold valuation tribunal to be the premium which is payable under Schedule 13 in respect of the grant of the new lease;
  - (b) such other amount or amounts (if any) as may be determined by such a tribunal to be payable by virtue of that Schedule in connection with the grant of that lease; and
  - (c) any amounts or estimated amounts determined by such a tribunal as being, at the time of execution of that lease, due to the landlord from the tenant (whether due under or in respect of the tenant's lease of his flat or under or in respect of any agreement collateral thereto).
- (6) Where any lease is granted to a person in accordance with this section, the payment into court of the appropriate sum shall be taken to have satisfied any claims against the tenant, his personal representatives or assigns in respect of the premium and any other amounts payable as mentioned in subsection (5)(a) and (b).
- (7) Subject to subsection (8), the following provisions, namely—
- (a) sections 57 to 59, and
  - (b) section 61 and Schedule 14,
- shall, so far as capable of applying to a lease granted in accordance with this section, apply to such a lease as they apply to a lease granted under section 56; and subsections (6) and (7) of that section shall apply in relation to a lease granted in accordance with this section as they apply in relation to a lease granted under that section.
- (8) In its application to a lease granted in accordance with this section—
- (a) section 57 shall have effect as if—
    - (i) any reference to the relevant date were a reference to the date of the application under section 50(1) in pursuance of which the vesting order under that provision was made, and

(ii) in subsection (5) the reference to section 56(3)(a) were a reference to subsection (5)(c) above; and

(b) section 58 shall have effect as if—

(i) in subsection (3) the second reference to the landlord were a reference to the person designated under subsection (3) above, and

(ii) subsections (6)(a) and (7) were omitted.

**APPENDIX 2**

**Valuation report of Ms Genevieve Mariner FRICS**

**dated 15 May 2015**

FLAT A 67 ULVERSTON ROAD WALTHAMSTOW LONDON E17 4BN

GM/LON/00BH/OLR/2015/0779

LEASE EXTENSION PREMIUM - APPENDIX A

freeholder's present interest			
ground rent (pa)	£50		
YP 1.71 years @ 7%	<u>1.561</u>		
		£78	
ground rent (pa)	£100		
YP 33 years @ 7%	12.754		
PVE1 def. 1.71 years @ 7%	<u>0.8907</u>		
		£1,136	
ground rent (pa)	£150		
YP 33 years @ 7%	12.754		
PVE1 def. 34.71 years @ 7%	<u>0.0955</u>		
		£183	
reversion to	£277,750		
PVE1 def. 67.71years @ 5%	<u>0.0367</u>		
		£10,193	
			£11,590
<i>less freeholder's proposed interest</i>			
reversion to	£277,750		
PVE1 def. 157.71 years @ 5%	<u>0.00046</u>		
		£128	
			£11,462
<i>plus 50% marriage value</i>			
long leasehold value	£275,000		
freeholder's proposed interest	<u>£128</u>		
		£275,128	
less			
short lease value (89.95%)	£249,836		
freeholder's present interest	<u>£11,590</u>		
		£261,426	
			£13,701
50%			<u>£6,851</u>
			£18,313

DATED

2015

CLAIRE MARIE CONNOLLY

- and -

PETER SHELDON  
CHRISTINE MARGARET SMITH

**DEED OF SURRENDER and RE-GRANT**

relating to

Ground Floor Flat  
67 Ulverston Road  
Walthamstow  
London  
E17 4BN

Cavendish Legal Group  
188-190 Hoe Street  
Walthamstow  
London E17 4QH

Tel: 0208 509 6800  
Fax: 084547 47 432  
Ref: JF 131074.001

<b>LR1. Date of Lease</b>	
<b>LR2. Title number(s)</b>	<b>LR2.1 Landlord's title number(s)</b> EGL128772  <b>LR2.2 Other title numbers</b> EGL141112
<b>LR3. Parties to this lease</b> <i>Give full names, addresses and company's registered number, if any, of each of the parties. For Scottish companies use a SC prefix and for limited liability partnerships use an OC prefix. For foreign companies give territory in which incorporated.</i>	<b>Landlord</b> <b>PETER SHELDON and CHRISTINE MARGARET SMITH 2</b> Queens Park Road, Harold Wood, Essex RM3 0HL  <b>Tenant</b> <b>CLAIRE MARIE CONNOLLY</b> of 67a Ulverston Road, Walthamstow, London E17 4BN  <b>Other parties</b>
<b>LR4. Property</b> <i>Insert a full description of the land being leased or Refer to the clause, schedule or paragraph of a schedule in this lease in which the land being leased is more fully described.</i>  <i>Where there is letting of a part of a registered title, a plan must be attached to this lease and any floor levels must be specified.</i>	<b>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</b>  Ground Floor Flat, 67 Ulverston Road, Walthamstow, London E17 4BN
<b>LR5. Prescribed statements etc.</b> <i>If this lease includes a statement falling within LR5.1, insert under that sub-clause the relevant statement or refer to the clause, schedule or paragraph of a schedule in this lease which contains the statement.</i>  <i>In LR5.2, omit or delete those Acts which do not apply to this lease.</i>	<b>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.</b>  <b>The Lease is granted under Section 56 of the Leasehold Reform, Housing and Urban Development Act 1993</b>  <b>LR5.2 This lease is made under, or by reference to, provisions of:</b> <b>None</b>
<b>LR6. Term for which the Property is leased</b> <i>Include only the appropriate statement (duly completed) from the three options.</i>  NOTE: The information you provide, or refer to, here will be used as part of the particulars to identify the lease under rule 6 of the Land Registration Rules 2003	189 years from 22 December 1983
<b>LR7. Premium</b> <i>Specify the total premium, inclusive of VAT where payable.</i>	£
<b>LR8. Prohibitions or restrictions on disposing of this lease</b> <i>Include whichever of the two statements is appropriate.</i>  Do not set out here the wording of the provision.	This lease does contain a provision that prohibits or restricts dispositions.

<p><b>LR9. Rights of acquisition etc.</b>  <i>Insert the relevant provisions in the sub-clauses or refer to the clause, schedule or paragraph of a schedule in this lease which contains the provisions</i></p>	<p><b>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</b>  None</p> <p><b>LR9.2 Tenant's covenant to (or offer to) surrender this lease</b>  None</p> <p><b>LR9.3 Landlord's contractual rights to acquire this lease</b>  None</p>
<p><b>LR10. Restrictive covenants given in this lease by the Landlord in respect of land other than the Property</b>  <i>Insert the relevant provisions or refer to the clause, schedule or paragraph of a schedule in this lease which contains the provisions.</i></p>	<p>None</p>
<p><b>LR11.1 Easements granted by this lease for the benefit of the Property</b>  <i>Refer here only to the clause, schedule or paragraph of a schedule in this lease which sets out the easements.</i></p>	<p>The Rights and Easements referred to in clause 5 of this lease incorporating all those Rights and Easements as set out in the Original Lease dated 22 December 1983 as referred to in clause 1.1 of this lease</p>
<p><b>LR11.2 Easements granted or reserved by this lease over the Property for the benefit of other property</b>  <i>Refer here only to the clause, schedule or paragraph of a schedule in this lease which sets out the easements.</i></p>	<p>The Exceptions and Reservations referred to in clause 5 of this lease incorporating all those Exceptions and Reservations as set out in the Original Lease dated 22 December 1983 as referred to in clause 1.1 of this lease.</p>
<p><b>LR12. Estate rentcharge burdening the Property</b>  <i>Refer here only to the clause, schedule or paragraph of a schedule in this lease which sets out the rentcharge</i></p>	<p>None</p>
<p><b>LR13. Application for standard form of restriction</b>  <i>Set out the full text of the standard form of restriction and the title against which it is to be entered, If you wish to apply for more than one standard form of restriction use this clause to apply for each of them, tell us who is applying against which title and set out the full text of the restriction you are applying for.</i></p> <p><i>Standard forms of restriction are set out in Schedule 4 to the Land Registration Rules 2003.</i></p>	<p>None</p>
<p><b>LR14. Declaration of trust where there is more than one person comprising the Tenant</b>  <i>If the Tenant is one person, omit or delete all the alternative statements.</i></p> <p><i>If the Tenant is more than one person, complete this clause by omitting or deleting all inapplicable alternative statements.</i></p>	



**LAND REGISTRY**

**LAND REGISTRATION ACT 2002**

COUNTY AND DISTRICT: WALTHAM FOREST  
TITLE NUMBER: Freehold - EGL128772  
Leasehold - EG141112  
PROPERTY: Ground Floor Flat, 67 Ulverston Road, Walthamstow,  
London E17 4BN

**THIS SURRENDER AND LEASE** is made the                      day of                      2015

**BETWEEN (1) PETER SHELDON and CHRISTINE MARGARET SMITH** 2 Queens Park Road,  
Harold Wood, Essex RM3 0HL ("the Landlord")

**(2) CLAIRE MARIE CONNOLLY** of 67a Ulverston Road, Walthamstow, London E17 4BN  
("the Tenant")

**NOW THIS DEED WITNESSES** as follows:

**1 Definitions**

In this deed:

- 1.1 "the Original Lease" means a lease dated 22 December 1983 and made between (1) Peter Sheldon and Christine Margaret Smith (2) Probert Nemeth and Mandy Annette Nemeth (the Deed).
- 1.2 "the Premises" means the premises described in and demised by the Original Lease and known as Ground Floor Flat, 67 Ulverston Road, Walthamstow, London E17 4BN
- 1.3 "the New Term" means a term of 189 years from 22 December 1983

**2 Recitals**

- 2.1 The unexpired residue of the term created by the Original Lease is now vested in the Tenant
- 2.2 The reversion immediately expectant on the termination of the Original Lease is now vested in the Landlord
- 2.3 This is a new Lease for the purposes of Section 1 of the Landlord and Tenant (Covenants) Act 1995
- 2.4 The Tenant in exercise of the Tenant's rights under Chapter II of Part 1 of the Leasehold Reform Housing and Urban Development Act 1993 ("the Act") has required the Landlord to grant to the Tenant a new lease of the Premises and the Landlord has agreed to do so on the terms set out below

2.5 In consideration of the sum of £ , it has been agreed between the parties to this deed that the Original Lease shall be surrendered and a new Lease of the Premises shall be granted to the Tenant in substitution for it as appears below

**3 Release and surrender**

In consideration of the demise contained below the Tenant surrenders the Original Lease to the Landlord

**4 Fixtures**

The Landlord agrees that the Tenant's fixtures in or upon the Premises shall not vest in the Landlord on the execution of this deed and that the Tenant shall have the same rights in them after execution of this deed as if they had been annexed to the Premises after execution of this deed

**5 Demise**

In consideration of the sum of £ , receipt whereof the Landlord hereby acknowledges and in consideration of the surrender of the Original Lease the Landlord with full limited title guarantee demises to the Tenant the Premises to Hold the Premises to the Tenant from the date of this lease for the unexpired residue of the New Term TOGETHER WITH the rights granted by the Original Lease and EXCEPTING AND RESERVING to the Landlord matters excepted and reserved by the Original Lease YIELDING AND PAYING the rent reserved by this lease

**6 Rent**

The rent payable after the date of this lease for the Premises shall be a peppercorn rent per annum and payable in the manner and on the same days as provided in the Original Lease

**7 Incorporation of covenants**

This Lease is made upon the same terms and subject to the same covenants conditions and provisions in all respect as those contained in the Original Lease (except as to the rent and term of years granted and modifications herein) and shall be read and construed as if those covenants conditions and provisions were set forth verbatim in this deed with such modifications only as are necessary to make them applicable to this demise instead of the demise created by the Original Lease and the parties to this Lease

**8 Mutual covenants**

The Landlord and the Tenant each covenants with the other to observe and perform the covenants conditions and provisions made applicable to this demise by clause 7 of this deed which are or ought to be observed or performed by each of them

**9 Sub-tenants**

No long lease created immediately or derivatively by way of sub-demise under this lease shall confer on the sub-tenant as against the Landlord a right under Chapter II of Part 1 of the Act to acquire a new lease.

**10 Redevelopment**

The Landlord may, (a) at any time during the period of 12 months ending on 31 December 2082 and (b) at any time during the period of five years ending on 31 December 2172 apply to the court under section 61 of the Act for an order for possession of the Premises on the ground that for the purposes of redevelopment he intends to demolish or reconstruct, or to carry out substantial works of construction on the whole or substantial part of any building in which the Premises is contained, and that he could not reasonably do so without obtaining possession of the Premises, and the provisions of that section and of Schedule 14 to the Act shall accordingly apply

**11** It is not intended that any term of this lease shall be enforceable by any third party under Section 1 of the Contracts (Rights of Third Parties) Act 1999

**IN WITNESS** whereof the parties hereto have executed this Deed the day and year first above written

On Original

SIGNED as a Deed by  
**JONATHAN FRANKEL**  
Solicitor and Partner of  
Cavendish Legal Group  
As Ordered by the County Court at Bow  
Dated 23 March 2015 under Claim No.  
B01BO063

In the presence of:

Witness

Name

Address

Occupation

On Counterpart

SIGNED as a Deed by

**CLAIRE MARIE CONNOLLY**

in the presence of:

Witness

Name

Address

Occupation