

WITHOUT PREJUDICE & SUBJECT TO CONTRACT

DATE: 1st June 2011

LANDLORD: Sevastopol Developments Ltd

C/O: 55 Falls Road Belfast BT12 4PD

TENANT: Paul Maskey MP

PROPERTY: 53 Falls Road Belfast BT12 4PD

RIGHTS: Use of office accommodation

LEASE PERIOD: For the period of **four years** starting on 1st **June 2011** and ending on 31st **May 2015**
(together with any Statutory extension thereof)

USE ALLOWED: Office Premises

RENT: The Tenant will pay the landlord at the rate of Two thousand five hundred Pounds (£2,500), exclusive of VAT, per quarter in these instalments:

RENT DAYS: (A) On the date of this Lease a sum of £2,500 for the period starting on 1st June 2011 to 31st August 2011.

(B) Equal instalments every quarter in advance.

This lease is granted on the terms set out on pages 1 – 10 as added to or Varied by any continuation page

THIS DOCUMENT CREATES LEGAL RIGHTS AND LEGAL OBLIGATIONS

DO NOT SIGN UNTIL YOU HAVE CONSULTED A SOLICITOR

1. TENANTS OBLIGATIONS

The Tenant is to pay the Landlord:

- 1.1 the rent together with value added tax (if applicable);
 - 1.2 the amount of every premium which the Landlord pays to insure the property under this lease to be paid within 14 days after the Landlord gives written notice of payment (and this is to be paid as rent);
 - 1.3 a fair proportion (decided by a surveyor the Landlord nominates) of the cost of repairing maintaining and cleaning:

party walls, party structures, yards, gardens, roads, paths, gutters, drains, sewers pipes, conduits, wires, cables and things used or shared with other property;
 - 1.4 the cost of any works to the property which the Landlord does after the Tenant defaults;
 - 1.5 the cost and expenses (including professional fees) which the Landlord Incurs In:

(a) dealing with any application by the Tenant for consent or approval, whether or not it is given,

(b) preparing and serving a notice of a breach of the Tenant's obligations, under section 14 of the Conveyancing and Law of Property Act 1881, even if forfeiture of this lease is avoided without a court order,

(c) preparing and serving schedules of dilapidations either during the lease period or recording failure to give up the property in the appropriate state of repair when this lease ends.
 - 1.6 interest at the rate provided by the Law Society of Northern Ireland General Conditions of Sale 3rd Edition Revised from time to time on any of the above payments when more than fourteen days overdue, to be calculated from its due date

and in making payments under this clause
1:
(a) nothing is to be deducted or set off,

(b) any value added tax payable is to be added.
2. The Tenant is also to make the following payments with value added tax where payable:
 - 2.1 all periodic rates, taxes and outgoings relating to the property, including any imposed after the date of this lease (even if of a novel nature) to be paid promptly to the authorities to whom they are due;

2.2 the cost of the grant, renewal or continuation of any licence or registration for using the property for the use allowed, to be paid promptly to the appropriate authority when due;

2.3 a registration fee of £20 for each document which this lease requires the Tenant to register to be paid to the Landlord's solicitors when presenting the document for registration.

3. USE

The Tenant is to comply with the following requirements as to the use of the property and any part of it, and is not to authorise or allow anyone else to contravene them:

3.1 to use the property only for the use allowed;

3.2 not to use the property for residential accommodation;

3.3 not to do anything which might invalidate any insurance policy covering the property or which might increase the premium;

3.4 not to hold an auction sale in the property;

3.5 not to use the property for any activities which are dangerous, offensive, noxious, illegal or immoral, or which are or may become a nuisance or annoyance to the Landlord or to the owner or occupier of any neighbouring property;

3.6 not to erect signs or display any advertisements on the outside of the property which are visible from outside the property unless the Landlord consents (and the Landlord is not entitled to withhold that consent unreasonably);

3.7 not to overload the floors or walls of the property;

3.8 to comply with the terms of every Act of Parliament, order, regulation, bye-law, rule, licence and registration authorising or regulating how the property is used, and to obtain, renew and continue any licence or registration which is required.

4. ACCESS

The Tenant is to give the Landlord, or anyone authorised by him in writing access to the property:

4.1 for these purposes:

(a) inspecting the condition of the property, or how it is being used;

(b) doing works which the Landlord is permitted to do under clauses 5.5 (c);

(c) complying with any statutory obligation;

(d) viewing the property as a prospective buyer, tenant or mortgagee or during the last six months of the lease period, as a prospective tenant,

(e) valuing the property;

(t) inspecting, cleaning or repairing neighbouring property, or any sewers, drains, pipes, wires or cables serving neighbouring property;

4.2 The Landlord is to give the Tenant and anyone authorised by him in writing, access to the adjoining property of the Landlord for the purpose or inspecting, cleaning or repairing the property or any sewers, drains, pipes, wires or cables serving the property;

4.3 The rights of the Landlord or Tenant in 4.1 and 4.2 above shall be exercised

4.3.1 only on seven days written notice except in emergency;

4.3.2 and during normal business hours except in an emergency;

4.3.3 and each party is promptly to make good all damage caused to the property or any neighbouring property as the case may be and any goods therein exercising these rights and will keep any disturbance to a minimum.

5. CONDITION

The Tenant is to comply with the following duties in relation to the property:

5.1 to effect such repairs as are necessary to maintain the state and condition of the property;

5.2 to decorate the inside and outside of the property:

(a) in every fifth year of the lease period;

(b) in the last three months of the lease period (however it ends) except to the extent that it has been decorated in the previous year;

and on each occasion the Tenant is to use the colours and the types of finish used previously;

5.3 to do the work to the property required by any public authority.

5.4 but the Tenant need not:

(a) alter or improve the property;

(b) make good damage caused by an insured risk, except to the extent that the policy moneys have not been paid because of any act or default of

the Tenant:

- 5.5 if the Tenant fails to do any work which this lease requires him to do and the Landlord has given him written notice to do it, the Tenant is to:
- (a) start the work within two months, or immediately in case of emergency, and
 - (b) proceed diligently with the work or
 - (c) in default, pennit the Landlord to do the work;
- 5.6 not to make any structural alterations, external alterations or additions to the property;
- 5.7 not to make any other alterations unless with the Landlord's consent in writing (and the Landlord is not entitled to withhold that consent unreasonably);
- 5.8 to keep any plate glass in the property insured for its full replacement cost with reputable insurers, to give the Landlord details of that insurance on request, and to replace any plate glass which becomes damaged.

6. **ASSIGNMENT/SUBLETTING**

The Tenant is to comply with the following:

- 6.1 the Tenant is not to share occupation of the property and no part of it is to be assigned, sublet or occupied separately from the remainder;
- 6.2 the Tenant is not to assign, sublet licence or allow another party to occupy the whole of the property unless the Landlord gives written consent in advance, and the Landlord is not entitled to withhold that consent unreasonably so however where the Landlord reasonably believes that the proposed assignee may not comply with the tenns of this Lease, the Landlord may require such assignee to provide a suitable guarantor.
- 6.3 any sublease is to be on tenns which are consistent with this lease, but is not to permit the sub-tenant to underlet;
- 6.4 within four weeks after the property is transferred, mortgaged or sublet, the Landlord's solicitors are to be notified and a copy of the transfer, mortgage or sublease sent to them for registration with the fee payable under clause 2.3

7. **OTHER MATTERS**

The Tenant:

7.2 is to allow the Landlord, during the last six months of the lease period, to fix a notice in a reasonable position on the outside of the property announcing that it is *for* sale or to let;

7.3 is not to apply *for* planning permission relating to the use or alteration of the property unless the Landlord gives written consent in advance;

7.4 is to comply with all requirements or recommendations of the Police Service of Northern Ireland Office or the Compensation Agency (or any public department or agency which may in the future discharge their functions) and the reasonable requirements of the Landlord *for* the protection and security of the property against criminal damage and is to compensate the Landlord *for* any loss suffered by the Landlord arising out of a breach of this clause.

8. RENT REVIEW

8.1 On each rent review date, the rent is to increase to the market rent if that is higher than the rent applying before that date:

8.2 The market rent is the rent which a willing tenant would pay *for* the property on the open market, if let to him on the rent review date by a willing Landlord on a lease on the same terms as this lease without any premium and *for* a period equal to the remainder of the lease period, assuming that at that date:

(a) the willing Tenant takes account of any likelihood that he would be entitled to a new lease of the property when the lease ends but does not take account of any goodwill belonging to anyone who had occupied the property;

(b) the property is vacant and had not been occupied by the Tenant or any sub-tenant;

(c) the property can immediately be used;

(d) the property is in the condition required by this lease and any damage caused by any of the risks insured under clause 11 or caused by criminal damage has been made good;

(e) during the lease period neither the Tenant nor any sub-tenant has done anything to the property to increase its rental value, other than anything which the Tenant was obliged to do under the terms of this lease.

8.3 If the Landlord and the Tenant agree the amount of a new rent, a statement of that new rent, signed by them, is to be attached to this lease.

8.4 If the Landlord and the Tenant have not agreed the amount of the new rent two months before the rent review date, either of them may require the new rent to be decided by arbitration under clause 15.6

8.5 (a) The Tenant is to continue to pay rent at the rate applying before the rent review date until the next rent day after the new rent is agreed or decided.

(b) Starting on that rent day, the Tenant is to pay the new rent.

(c) On that rent day, the Tenant is also to pay the amount by which the new rent since the rent review date exceeds the rent paid, with interest on that amount at 2% below the rate set out in Clause 1.6 hereof.

9. DAMAGE

If the property or the common parts are damaged by any of the risks to be insured under clause 11 and as a result of that damage the property, or any part of it, cannot be used for the use allowed:

9.1 the rent, or fair proportion of it, is to be suspended for three years or until the property is fully restored, if sooner;

9.2 if at any time it is unlikely that the property or the common parts will be fully restored within two years from the date of the damage, the Landlord (so long as he has not wilfully delayed the restoration) or the Tenant may end this lease by giving one month's notice to the other during the three year period, in which case:

(a) the insurance money and any criminal damage compensation in respect of the property (but not the Tenant's fixtures and fittings therein not stock nor consequential loss) belongs to the Landlord and

(b) the Landlord's obligation to make good damage under clause 11 ceases.

9.3 a notice given outside the time limits in clause 9.2 is not effective;

9.4 any dispute arising under any part of this clause is to be decided by arbitration under clause 15.5

LANDLORD'S OBLIGATIONS AND FORFEITURE RIGHTS

10. QUIET ENJOYMENT

While the Tenant complies with the terms of this Lease, the Landlord is to allow the Tenant to possess and use the property without unlawful interference from the Landlord, anyone who derives title from the Landlord or any trustee for the Landlord.

11. INSURANCE

The Landlord agrees with the Tenant:

- 11.1 the Landlord is to keep the property (except the plate glass) insured with reputable insurers to cover:

(a) full rebuilding, site clearance, professional fees, value added tax and three years' loss of rent;

(b) against fire, lightning, explosion, earthquake, landslip, subsidence, heave, riot, civil commotion, aircraft, aerial devices, storm, flood, water, theft, impact by vehicles, damage by malicious persons and vandals and third party liability and any other risks reasonably required by the Landlord;

so far as cover is available at the normal insurance rates for the locality and subject to reasonable excesses and exclusions.

- 11.2 and to take all necessary steps to make good as soon as possible damage to the building caused by insured risks except to the extent that the insurance money is not paid because of the act or default of the Tenant:

- 11.3 and to give the Tenant at his request once a year particulars of the policy and evidence from the insurer that it is in force;

- 11.4 and that the Tenant is not responsible for any damage for which the Landlord is compensated under the insurance policy.

12. FORFEITURE

- 12.1 The lease comes to an end if the Landlord forfeits it by entering any part of the property, which the Landlord is entitled to whenever:

(a) payment of any rent is fourteen days overdue, even if it was not formally demanded;

(b) the Tenant has not complied with any of the terms in this lease;

(c) the Tenant if an individual (and if more than one, any of them) is adjudicated bankrupt or an interim receiver of this property is appointed; (d) the Tenant if a company (and if more than one, any of them) goes into liquidation (unless solely for the purpose of amalgamation or reconstruction when solvent), or has an administrative receiver appointed or has an administration order made in respect of it;

- 12.2 The forfeiture of this lease does not cancel any outstanding obligation of the Tenant or a Guarantor.

13. END OF LEASE

When this lease ends the Tenant is to:

- 13.1 return the property to the Landlord leaving it in the state and condition in which this lease requires the Tenant to keep it;
- 13.2 (if the Landlord so requires) remove anything the Tenant fixed to the property and make good any damage which that causes.

14. VARIATIONS AND ADDITIONS

This lease is granted on the terms recommended by the Law Society of Northern Ireland which are set out in pages 1-10 as added to or varied by any terms appearing on page 11 or any attached continuation page.

GENERAL

15. PARTIES RESPONSIBILITY

- 15.1 Whenever more than one person or company is the Landlord, the Tenant or the Guarantor, their obligations can be enforced against all or both of them jointly and against each individually.

LANDLORD

- 15.2 The Landlord includes the person who, at any particular time, has the right to receive rent under this lease.

TENANT

- 15.3 The Tenant includes the person who, at any particular time, is given the right by this lease to possess the property.

SERVICE OF NOTICES

- 15.4 The rules about serving notices in Section 67 of the Conveyancing and Law of Property Act 1881 (as since amended) apply to any notice given under this lease.

ARBITRATION

- 15.5 In the event of any dispute or difference arising between the Landlord and the Tenant which is not resolved by negotiation, either party may refer the matter to the Law Society of Northern Ireland Dispute Resolutions Service ("the Service") and if the matter has not been resolved within 14 days of referral to the service or such longer period as both Landlord and Tenant shall agree, then the mediation by the Service shall be deemed to be at an end and (subject to clause 15.6. below) each party shall be free to pursue its own remedies.

- 15.6 Any matter which this lease requires to be decided by arbitration is to be referred to a single arbitrator under the Arbitration Act (Northern Ireland) 1937. The Landlord and the Tenant may agree the appointment of the arbitrator, or either of them may apply to the President of the Law Society of Northern Ireland to make the appointment.

HEADINGS

- 15.7 The headings do not form part of this lease.

GUARANTEE BOX

The terms in this box only take effect if a guarantor is named and then only until the Tenant assigns this lease with the Landlord's written consent. The Guarantor must sign this lease.

'Guarantor':

of

agrees to compensate the Landlord for any loss incurred as a result of the Tenant failing to comply with an obligation in this lease during the lease period or any statutory extension of it. If the Tenant is insolvent and this lease ends because it is disclaimed, the Guarantor agrees to accept a new lease, if the Landlord so requires, in the same form but at the rent then payable. Even if the Landlord gives the Tenant extra time to comply with an obligation, or does not insist on strict compliance with the terms of this lease, the Guarantor's obligation remains fully effective.

I/WE certify that there is no Agreement for Lease (or Tack) to which this Lease (or Tack) gives effect.

IN WITNESS whereof the parties hereto have hereunto set their hands and affixed their seals the day and year first herein Written.

THIS DOCUMENT CREATES LEGAL RIGHTS AND LEGAL OBLIGATIONS. DO NOT SIGN IT UNTIL YOU HAVE CONSULTED A SOLICITOR

In Witness whereof the parties hereto have hereunto set their hands the day and the year first hereinbefore written.

SIGNED BY THE TENANT: Paul Maskey.

Name.....PAUL MASKEY.....

Occupation.....M.P.....

Address.....53 FALLS ROAD BELFAST BT 12 4PD.....

Business Address.....

WITNESS:

Name.....

Occupation.....

Address.....

SIGNED BY / BEHALF OF THE LANDLORD:

Name.....

Occupation.....

Address.....55 FALLS ROAD BELFAST BT12 4PD.....

Business Address.....

WITNESS:

Name.....

Occupation.....

Address.....