

A.1 APPENDIX FOUR – DRAFT HEADS OF TERMS

Draft Heads of Terms for
JAYWICK COVERED MARKET
(SUBJECT TO CONTRACT)

1. PROPERTY

1.1	Ward:	West Clacton and Jaywick Sands
1.2	Address of the property:	Market site Brooklands Jaywick Essex CO15 2JE
1.3	Description of the property:	Indoor market and managed workspace premises to be constructed by the Landlord
1.4	Rights specifically granted:	Leasehold interest
1.5	Rights specifically reserved:	Access

2. PARTIES

2.1	Landlord:	Tendring District Council Town Hall, Station Road, Clacton-on-Sea, Essex CO15 1SE Telephone: Email:
2.2	Landlord's Solicitor:	Tendring District Council Legal Services Town Hall, Station Road Clacton-on-Sea, Essex CO15 1SE Email: legalpropertyadmin@tendringdc.gov.uk
2.3	Landlord's Agent:	N/A
2.4	Tenant:	Full names/company (Register no. []) Correspondence address: Contact name: Email: Telephone:



2.5	Tenant's Solicitors:	Company name: Company address: Contact name: Email: Telephone:
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2.6 Tenant's Agent:

2.7	Guarantor:	TBC
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3. TERM, BREAKS AND NOTICES

3.1	Duration of lease:	10 years
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3.2	Commencing on:	TBC
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3.3	Break Clause:	at the fifth anniversary of Commencement and each anniversary thereafter
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3.4	Exercisable By:	Landlord break
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3.5	Notice Period:	Six calendar months preceding the anniversary of Commencement.
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4. RENT

4.1	Rent:	£ 90% of the net rents or fees received by the tenant from under tenants and licensees Defined as: annual surplus after deduction for permitted costs and outgoings from aggregate rents and fees received. Permitted costs and outgoings to include business rates for common areas, utilities charges, maintenance, security, property cleaning and waste, property insurance, selected professional fees and a management fee payable to the Tenant. The tenant to maintain and make available accounts for this purpose on an open book basis.
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4.2	Commencing on:	Commencement of the lease.
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4.3	Rent payment dates:	
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		Within 28 days of the anniversary of commencement, in arrears
4.4	Payment method:	BACS
4.5	VAT Payable on Rent:	No
4.6	Rent-free Period:	N/A
4.7	Review Dates:	N/A
4.8	Review Basis:	N/A
4.9	Dispute:	If rent not agreed by review date, either party may refer to Independent Expert for determination.
4.10	Fees:	Fees of both Independent Expert and President of RICS to be apportioned equally between the parties.
4.11	Time of Essence:	No.
5. INTEREST		
5.1	Late Rent Payment:	Interest at 4% above base rate for rent unpaid 21 days after due date.
5.2	Post Rent Review:	N/A.
6. OUTGOINGS, RATES AND UTILITIES		
6.1	The Tenant will be responsible for business rates, utility services and other outgoings.	
6.2	If any rates, taxes or other impositions are payable in respect of the property together with other property, the Tenant shall pay a fair proportion of the amount payable.	
7. INSURANCE		
7.1	Building:	Tenant to full value and all risks

7.2	Plate Glass:	Tenant
7.3	Contents:	Tenant (or under tenants/licensees where applicable)
7.4	Public Liability:	Tenant £10m minimum required
7.5	Date Cover to Commence:	Commencement date

8. CONDITIONS OF LEASE

8.1	Tenant's Conditions	Provide services as the Management Agreement
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9. PERMITTED USE AND OPENING HOURS

9.1	Permitted Use:	Provision of business support, community services, health services and business office and commercial activity compatible with residential neighbour uses.
9.2	Opening Hours:	Normal business hours

10. LEGAL AND SURVEYORS COSTS

10.1	Of Lease:	Parties to bear their own costs
10.2	Of Consents:	Tenant
10.3	Of Registration:	Tenant

11. ASSIGNMENT

	Prohibited	If not prohibited is Subject to Written Consent	Permitted without consent
Assignment of whole	Yes	N/A	N/A
Assignment of part	Yes	N/A	N/A
Sub-Lease whole	Yes	N/A	N/A



Sub-Lease part	No	No	Yes
Group Sharing	Yes	Yes	No

For sub-lettings consider: Maximum number of occupiers, limitations
Code requires sublettings to be at market rent.
CNUW= Consent not to be unreasonably withheld.

11.1 AGA: TBC.

12. LANDLORD AND TENANT ACT 1954

12.1 Is the lease excluded from the Act? Yes

13. REPAIR AND MAINTENANCE

13.1 Building External to include glazing/Structure: **Tenant**

13.2 Building Internal: **Tenant**

13.3 Decoration External: Tenant Frequency 3 years

13.4 Decoration Internal: Tenant Frequency 5 years

13.5 Boundaries/Other: **Tenant**

13.6 Grounds Maintenance: **Tenant**

13.7 Schedule of Condition:

13.8 Testing: Tenant to carry out testing of all fixed electrical installations and gas installations every 5 years or greater frequency to British Standard or other legislative need. Gas appliances and portable electrical equipment all in accordance with the then

current British Standards and to repair any defect or deficiencies noted. The testing will also be required at the termination of the tenancy. Copies of inspection certificates are to be provided to the Landlord on request and free of charge.

14. ALTERATIONS AND IMPROVEMENTS

	Prohibited	If not prohibited is Subject to Written Consent	Permitted without consent
External	Yes	N/A	N/A
External structural	Yes	N/A	N/A
Internal structural	No	Yes	No
Internal non-structural	No	Yes	No

Note: Is an agreed form of licence to be attached to lease?

14.1 Electrical Wiring:

If the Tenant requires to extend or alter the electrical writing apparatus this shall be undertaken only by an appropriately qualified electrician who shall issue a current Completion Inspection Certificate for the wiring in accordance with the current Edition of the IEE Wiring Regulations which certificate shall be made available to the Landlord free of charge.

14.2 Signage:

Permitted with the Landlord's prior written consent only if related to the Tenant's business.

14.3 Aerials:

Permitted with the Landlord's prior written consent only if related to the Tenant's business.

15. PLANNING

15.1 Tenant to observe and comply with the Planning Acts and make no application under the Planning Acts without the Landlord's prior written consent.

16. INDEMNITY



16.1 Tenant is to indemnify the Landlord against any claims arising from the Tenant's occupation of the premises.

17. SERVICE CHARGE

17.1 None.

18. OTHER TERMS (DELETE OR EXPAND AS APPROPRIATE)

18.1	Installation of Services:	To be included in construction
18.2	Statutory Consents:	To be included in construction. Any additional consents required by under tenants or licensees to be obtained by them as required
18.3	Asbestos register:	Landlord to provide as part of Safety File
18.4	Environmental issues:	The tenant to neither do not permit any activity likely to contaminate the land.
18.5	Health and Safety file and other issues:	Landlord to provide following construction.
18.6	Collateral Warranties:	N/A
18.7	Energy Performance Certificate:	Landlord to provide
18.8	General:	The tenancy shall contain any other terms and conditions as the Landlord's solicitor considers necessary for a letting of this nature.

We hereby indicate my/our agreement to the proposed heads of terms for the new lease/lease renewal* as set out above.

Signed:.....
For and on behalf of

Name:.....
Please print name