

# Agreement for Lease (The Contract)

(Incorporating the Standard Commercial Property Conditions of Sale (second edition))

Date: \_\_\_\_\_ 2016

Seller: **Qualia Care Developments Limited** (Company Registration Number 10031034) whose registered address is at North & South Suite, 2nd Floor, 4 Warehouse, Sowerby Bridge HX6 2AG

Buyer: **Elljess Investments Ltd** (Company Registration Number 09326376) whose registered office is at Richmond House, 38 High Street, Hurstpierpoint, Hassocks, BN6 9RG, acting through its Trustees **Geoffrey Owen Jones and Lisa Jane Jones** both of Marchants Barn, Little Park Farm, Marchants Close, Hurstpierpoint, Hassocks, BN6 9UZ

Property: The property to be known as Room **WW106 Wagons Way Care Home**, The Avenue, Washington, Tyne & Wear NE38 7LE and more particularly defined in the Lease.

Title Number: Part of: **TY74911 & TY323283**

Title Guarantee: Full Title Guarantee

Completion Date: \_\_\_\_\_ 2016 or the date which is ten working days after the date upon which the Seller's Conveyancers serve written notice of the Seller's completion of the purchase of the Estate on the Buyer's Conveyancers such notice shall only be valid if the same is served upon the Buyer's Conveyancers not later than the Long Stop Date.

Purchase Price: **£58,500.00**

Reservation Fee: **£0.00** (already paid to Seller)

Year 1 Annual Payment: **£5,850.00** (Paid in advance by deduction from the Purchase Price at Exchange of Contracts)

Payable at Exchange: **£52,650.00** (Purchase Price less the Reservation Fee paid less Year 1 Annual Payment)

**The Seller shall grant the Lease and the Buyer shall accept the Lease of the Property in consideration of the payment of the Purchase Price from the Buyer to the Seller on the Completion Date.**

## Warning

This is a formal document designed to create legal rights and legal obligations. Take advice before using it.

Signed: \_\_\_\_\_

\_\_\_\_\_  
(Seller / Buyer)

Time of Exchange:

Formula:

Parties to the Exchange:

## **Special Conditions:**

### **1. Conditions of Sale**

- 1.1 This Agreement for Lease incorporates part 1 of the Standard Commercial Property Conditions of Sale (second edition). Where there is a conflict between those Conditions and this Agreement for Lease, this Agreement for Lease prevails. Part 2 Conditions are not incorporated.
- 1.2 The following Part 1 Conditions do not apply to this Agreement for Lease:
  - (a) Conditions 1.3.3, 1.3.5 (a) & (c), 1.3.7 (c) (d) & (e), and 1.4;
  - (b) Conditions 2.1 and 2.2;
  - (c) Condition 7.1.3;
  - (d) Condition 8.1; and
  - (e) Condition 10.2.5

### **2. Governing Law & Jurisdiction**

- 2.1 This agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.
- 2.2 Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this agreement or its subject matter or formation (including non-contractual disputes or claims).

### **3. Completion and Grant of Lease and other Completion Documents**

- 3.1
  - (a) Completion will take place on the Completion Date.
  - (b) The purchase of the property shall be Completed at the offices of the Seller's Conveyancers by the grant of the Lease.
- 3.2
  - (a) The Seller shall grant the Lease and the Buyer shall accept the Lease of the Property.
  - (b) Simultaneously with the grant of the Lease the Buyer will grant the Sub-Lease and the Seller will accept the Sub-Lease.
  - (c) Simultaneously with the grant of the Lease the Buyer and Seller will execute the Option Agreements.
  - (d) Upon completion of registration by the Land Registry of both the Lease and the Sub-Lease the Seller shall, as necessary, execute an Operator Lease to a Care Management Company.
- 3.3 On, or as soon as reasonably practicable after, completion the Seller shall direct the Seller's Conveyancers to release to the Buyer's Conveyancers the Seller's signed copies of the Completion Documents but shall delay such direction until receipt of the Buyer's original signed copies of the Completion Documents.
- 3.4 Promptly following completion (and in any event no later than 5 working days prior to the expiry of the Buyer's priority period) the Buyer agrees to:

- (a) prepare and submit to HM Revenue & Customs all necessary stamp duty land tax return forms in respect of the Grant of the Lease and pay all stamp duty land tax due and payable (if any);
  - (b) submit an application to the Land Registry to register the Grant of the Lease and Restrictions contained in the Option Deeds.
- 3.5 The Buyer agrees to use all reasonable endeavours to deal promptly and diligently with any requisitions raised by the Land Registry (and in any event within the time limits required by the Land Registry) with regard to the application for registration referred to in clause 3.4(b).
- 3.6 The Buyer agrees that within 5 working days of receipt of the title information document from the Land Registry notifying completion of the application to register the Grant of the Lease and the Option Deeds, to deliver a copy of the title information document to the Seller's Conveyancer.
- 4. **Payment**
  - 4.1 All sums required to be paid to the Seller must be paid by Direct Credit or other electronic funds transfer method that gives immediately available funds in the Seller's Conveyancer's Bank Account or such other client bank account nominated by the Seller's Conveyancer.
  - 4.2 On or before the date of this Agreement the Buyer shall pay to the Seller's Conveyancer the Deposit as Agents.
  - 4.3 From the date of this Agreement and during the Term (subject to the terms of the Sub-Lease) the Seller will pay to the Buyer the Annual Payments as detailed in the Schedule and under the terms of the Sub-Lease. Any payments are to be made in accordance with the Schedule. **The first year's Annual Payment shall be paid by way of deduction from the purchase price paid at Exchange of Contracts thereafter the payments shall be paid in Arrears on or in relation to the Anniversary of the date of this Agreement, in accordance with the Schedule.**
  - 4.4 On Completion of the Grant of the Lease of the Property the Buyer will pay to the Seller the balance of the Purchase Price, where applicable.
  - 4.5 If during the Term the Seller exercises the Developer Call Back Option Agreement the Annual Payment for the year in which the Option is exercised shall be apportioned to the date of completion of the option sale.
  - 4.6 If during the Term the Buyer exercises the Developer Assured Buy Back Option Agreement during a specified Option Period the Annual Payment for the year in which the Option is exercised shall be paid in full to the end of that specified Option Period.
- 5. **Assignment and Termination of this Agreement**
  - 5.1 This Agreement is personal to the Buyer and the Buyer may not assign, transfer, mortgage, charge, subcontract, declare a trust over or deal in any other manner with any of its rights and obligations under this contract or any part of it before Completion of the Lease without the Written Consent of the Seller. Consent shall not be unreasonably withheld upon payment of a contribution towards the Seller's reasonable legal expenses (not exceeding £500 plus VAT).
  - 5.2 Prior to the completion of the Lease and by a date that is no later than the Long Stop Date (and without affecting any other right or remedy available to it) the Seller may terminate this

**Agreement:**

- a) if the Seller has not received the necessary Letter of Comfort and or appropriate accreditation from the Care Quality Commission (or other such regulatory or government body authorised to give such accreditation) to confirm that the Seller can legally manage and operate the Care Facility; or
- b) if, in the unlikely event that, the Care Management Company decides not to proceed with the application to add the care home to its Provider Registration.

5.3 Following an event described at clause 5.2 the remainder of the benefit of this Agreement insomuch as to the Deposit paid shall be assigned to another project on at least the same terms (or no lesser terms) as owned by the Seller or another company in the group or run by the Directors of the Qualia Care Developments Limited for the remainder of the Term or the Buyer shall be refunded the full deposit as paid at the date of this Agreement.

**6. Miscellaneous Provisions**

**6.1 VAT**

- (a) Each amount stated to be payable by the Buyer to the Seller under or pursuant to this agreement is exclusive of VAT (if any).
- (b) If any VAT is chargeable on any supply made by the Seller under or pursuant to this agreement, the Buyer will pay the Seller an amount equal to that VAT as additional consideration on completion.

**6.2 Matters Affecting the Property**

The Property is sold subject to and with the benefit of all matters contained or referred to in the Completion Documents:-

- (a) all local land charges whether registered or not before the date of this Agreement all matters capable of registration as local land charges whether or not actually so registered and all matters registered or registerable in the register or registers of any other competent authority whether before or after the date of this Agreement;
- (b) all notices served and orders demands proposals or requirements made by any local public or other competent authority whether before or after the date of this Agreement;
- (c) all actual or proposed charges notices orders restrictions agreements conditions contraventions or other matters arising under any enactments relating to Town and Country Planning;
- (d) all easements quasi-easements rights exceptions or other similar matters whether or not apparent on inspection or disclosed in any of the documents referred to in this Agreement; and
- (e) all matters contained or referred to in the Register of the Seller's title other than any registered charge notice or deposit or notice of debenture or floating charge.
- (f) The Buyer is deemed to have full knowledge of the matters referred to in clause 6.2 (a) to (e) above and will not raise any enquiry, objection, requisition or claim in respect of any of them.

**6.3 Vacant Possession**

On Completion the Property is sold subject to any existing tenancy of the Property to a Resident and will be sub let by way of the Sub-Lease back to the Seller.

**6.4 Assurance**

The Completion Documents shall be in the form annexed hereto save that the Seller expressly reserves the right at any time prior to the Completion Date to make such reasonable amendments to the Completion Documents as shall be agreed by the Buyer's Conveyancers (acting reasonably).

**6.5 Continuing Obligations**

Completion of the Lease shall not affect any continuing obligation under or term or condition of this Agreement which has not then been fully performed or satisfied all of which shall remain in full force and effect.

**6.6 Third Party Rights**

A person who is not a party to this agreement shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement.

**6.7 Confidentiality**

No party shall without the prior written approval of the other party disclose any of the terms of this agreement to any third party except where such disclosure is required so as to fulfil either party's obligations under this agreement.

**6.8 Non-Partnership**

This agreement does not constitute a partnership between the parties.

**6.9 Limitation of Liability**

Notwithstanding anything to the contrary herein appearing it is hereby expressly agreed and declared by the parties hereto that each and every liability undertaken here under shall be subject to the proviso that Elljess Investments Ltd, Geoffrey Owen Jones and Lisa Jane Jones shall not incur any liability in respect thereof whether jointly or severally save to the extent that such liability shall not exceed in the amount the value of the assets less the liabilities (other than the liability to pay benefits) Geoffrey Owen Jones and Lisa Jane Jones from time to time in their hands in their capacity as trustees for such pension fund.

**7 Entire Agreement**

**7.1** This agreement and the documents annexed to it constitute the entire agreement and understanding of the parties and supersede any previous agreement between them relating to the subject matter of this agreement.

**7.2** The provisions of this Agreement shall not merge on the completion of the Lease insofar as they remain to be performed.

**7.3** The Buyer acknowledges and agrees that in entering into this agreement, it does not rely on and will have no remedy in respect of any statement, representation, warranty, collateral agreement or other assurance (whether made negligently or innocently) of any person (whether party to this agreement or not) other than:

(a) as expressly set out in this agreement or the documents annexed to it; or

(b) in any written replies which the Seller's Conveyancer has given to any written enquiries raised by the Buyer's Conveyancer before the date of this agreement.

Nothing in this clause will, however, operate to limit or exclude any liability for fraud.

8. **Plans**

The Seller will provide at least 10 working days before the Completion Date a final version of the Plans for insertion into the Lease, if not already provided.

## **Appendix - Glossary of Terms & Expressions**

In this Agreement the following expressions have the following meaning. The words defined in the Completion Documents shall have the same meanings when used in this Agreement but in the case of any inconsistency of contradiction the meanings and definitions in this Agreement shall prevail except where an alternative definition is expressed.

### **Part A – Definitions:**

<b>Agreement / Agreement for Lease</b>	Means this Agreement and is referred to in the other Completion Documents as the Agreement or the Agreement for Lease, and may be commonly referred to by the Buyer and Seller as “The Contract”.
<b>Annual Payment</b>	The payment made to the Buyer by the Seller as set out in the Schedule and under the terms of this Agreement and those expressed in the Sub-Lease.
<b>Buyer’s Conveyancer</b>	Noble & Co of St.George’s House, 7 St. George’s Square, Huddersfield, West Yorkshire HD1 1LA (Ref: LG) or any other Conveyancer whose details may be notified in writing from time to time by the Buyer to the Seller.
<b>Completion Documents</b>	The Option Agreements, the Lease, and the Sub-Lease in the agreed form of the draft annexed to this agreement.
<b>Deposit</b>	the Deposit specified in the Schedule hereto and payable in accordance with the Schedule.
<b>Developer Assured Buy Back Option Agreement</b>	the form of Developer Assured Buy Back Option document annexed hereto.
<b>Developer Call Back Option</b>	the form of Developer Call Back option document annexed hereto.
<b>Estate</b>	means the site known as Wagons Way Care Home, The Avenue, Washington, Tyne & Wear NE38 7LE registered at the Land Registry under Title Number: TY74911 & TY323283
<b>Lease</b>	the lease in the agreed form of the draft annexed to this agreement.
<b>Long Stop Date</b>	31 <sup>st</sup> January 2017
<b>Option Agreements</b>	The Developer Call Back Option Agreement and the Developer Assured Buy Back Option Agreement.
<b>Plan(s)</b>	the plans numbered Plan 1 and Plan 2 annexed to the Lease.
<b>Property</b>	The property at Room WW106 within the Estate as more particularly defined in the Lease.
<b>Purchase Price</b>	The purchase price specified in the Schedule hereto
<b>Reservation Fee</b>	the sum already paid by the Buyer as shown in the Schedule hereto.
<b>Resident</b>	A patient or occupier to whom the Property has been let.
<b>Seller’s Conveyancer</b>	Linda Heald & Co Property Lawyers of 2 <sup>nd</sup> Floor Central Buildings, 1-3

	Town Hall Street, Sowerby Bridge HX6 2QD or any other Conveyancer whose details may be notified in writing from time to time by the Seller to the Buyer.
<b>Seller's Conveyancer's Client Account</b>	<p>the Seller's Conveyancer's bank account at Lloyds Bank Plc, the details of which are as follows:</p> <p><b>Linda Heald Property Law Ltd t/a Linda Heald &amp; Co Property Lawyers</b></p> <p><b>Sort Code: 30-93-76 Account Number: 70587460</b></p> <p><b>Address: Lloyds Bank Plc (Sowerby Bridge Branch)</b></p> <p><b>9 Town Hall Street, Sowerby Bridge HX6 2DZ</b></p>
<b>Standard Conditions</b>	the Standard Commercial Property Conditions of Sale (Second Edition).
<b>Sub-Lease</b>	the Sub-Lease between the Buyer and the Seller in the form annexed hereto.
<b>Term</b>	A term of 25 years starting from the date of this Agreement.
<b>VAT</b>	Value added tax chargeable under the Value Added Tax Act 1994 and any similar replacement tax and any similar additional tax.
<b>Working Day</b>	Any day except Saturday, Sunday and public holidays in England & Wales.

**Part B – Interpretations:**

- 1.1 Clause, Schedule and paragraph headings shall not affect the interpretation of this agreement.
- 1.2 A person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 1.3 The Schedules form part of this agreement and shall have effect as if set out in full in the body of this agreement. Any reference to this agreement includes the Schedules.
- 1.4 A reference to a company shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- 1.5 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.
- 1.6 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.7 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.8 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.9 A reference to writing or written includes fax and e-mail except for the service of any Notices.



- 1.10 References to a document in **agreed form** are to that document in the form agreed by the parties.
- 1.11 A reference to **this agreement** or to any other agreement or document referred to in this agreement is a reference to this agreement or such other agreement or document as varied or novated (in each case, other than in breach of the provisions of this agreement) from time to time.
- 1.12 Unless the context otherwise requires, references to clauses, Schedules and Annexes are to the clauses, Schedules and Annexes of this agreement and references to paragraphs are to paragraphs of the relevant Schedule.
- 1.13 Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.14 Any obligation on a party not to do something includes an obligation not to allow that thing to be done.
- 1.15 Unless this agreement otherwise expressly provides, a reference to the **Property** is to the whole and any part of the Property.
- 1.16 Any reference to the Seller's consent or approval being required is to a consent or approval in writing which must be obtained before the relevant act is taken or event occurs.
- 1.17 **Seller** includes the Seller's successors in title and any other person who is or becomes entitled to the reversion (whether immediate or not) expectant on the term to be created by the Lease.

#### **Schedule**

*[Returns Schedule]*

#### **Annexures**

#### **Completion Documents**