

WITHOUT PREJUDICE & SUBJECT TO CONTRACT AND COUNCIL APPROVAL

PROPOSED NEW LEASE AGREEMENT – DRAFT HEADS OF TERMS

**RUSHEY FIELDS PARK HOUSE AND CHANGING ROOMS, HARRISON ROAD,
LEICESTER, LE4 7AB**

I refer to your application for a tenancy in respect of the above-mentioned property and am writing to confirm that I am prepared to consider the granting of a new lease in accordance with the following main terms, subject to a formal agreement to be prepared by the City Barrister.

1. The tenancy to be granted is in respect of Rushey Fields Park House and Changing Rooms, Harrison Road, Leicester, LE4 7AB.
2. The area of the Property to be leased is shown on the attached Plan No. 2024/196.
3. The lease term shall be for 5 years up to 25 years from commencement date subject to negotiation.
4. The rent per annum will be negotiable exclusive of business rates and utility charges. The council reserves the right to charge Value Added Tax (VAT) on the rent for these properties.
5. Upwards only rent reviews to Market Value (MV) or Retail Price Index (RPI) every 3 years (THREE YEARS) from commencement date, whichever is the greater.
6. The tenant will be liable for utilities used entirely by them and where the Council and tenant are jointly liable for utilities, the cost will be apportioned by agreed use or by sub-meter where present.
7. The buildings shall only be used for Planning Use Class F. Any permitted change of use will require landlord consent and will be subject to planning.
8. The property will be let on a fully repairing and insuring basis (FRI). Along with the demised area within the red line, vehicle access to the property is shown in brown on Plan No. 2024/196.
9. Both parties will decide whether the lease will fall inside or outside the Landlord and Tenant Act 1954 when negotiating terms for the lease.

10. Break Clause: The City Council shall have the ability to terminate the lease from the fifth year of the term onwards and shall give the lessee not less than six months written notice then this lease shall terminate on TBC in the relevant year.

The lessee shall have the ability to terminate the lease and shall give the City Council not less than six months written notice at any time to terminate the lease on TBC subject to the following:

- a. The lessee having paid the rent.
 - b. The lessee delivering up the Property with vacant possession.
 - c. There being no material breach of the lessee's repairing covenants and
 - d. There is no breach of the lessee's covenants relating to alienation.
11. The lessee will be responsible for the payment of the City Council's legal costs of £1750 + VAT and surveyors cost of £1750 + VAT in total incurred in the preparation of the lease, including any stamp duty thereon, the counterparts thereto and any renewal thereof, whether or not such documentation is completed.
12. The lessee shall not at any time during the term hereby granted assign, grant any licence in respect of, sublet or part with the possession of the demised premises, or any part or parts thereof, subject to the approval of the Council.
13. The rent and covenants are to be personally guaranteed.
14. The lessee will be responsible for obtaining any necessary planning consents required under the Town and Country Planning Acts and complying with any necessary statutory or bye-law approvals affecting the proposed use of the premises.
15. The lessee will not be permitted to carry out any works of amendment or alteration, addition or improvement to the premises, or erection of fittings thereto, without the prior written consent of the Director of Estates & Building Services.
16. The lease shall be subject to any other reasonable conditions as the Council's City Barrister & Head of Standards may deem to be necessary.