

DATE OF LEASE

1st October 2015

PARTIES TO THIS LEASE

LANDLORD: ALAN JAMES SAITCH and AVRIL JACQUELINE SAITCH
(Trading as VICKERS BUSINESS CENTRE)
ADDRESS: Unit 1 Vickers Business Centre, Priestley Road, Basingstoke, Hampshire
POSTCODE: RG24 9NP

TENANT: Foster's Cafes Ltd
ADDRESS: 2 Century House Priestley Road Basingstoke
POSTCODE: RG24 9RA
COMPANY NO: 09802930

GUARANTOR: None.

PROPERTY

Café Century House Vickers Business Centre Priestley Road Basingstoke
Shown highlighted yellow on the attached plan being part of the Building known as
POSTCODE: RG24 9RA

TERM FOR WHICH THE PROPERTY IS LEASED

From and including 1st October 2015

To and including 2nd October 2020

PARKING

No more than two vehicles (see clause 15.1(d))

USE ALLOWED

Cafe
Or any other use to which the Landlord consents (and the Landlord is not entitled to withhold that consent unreasonably)

RENT

Eleven thousand six hundred and sixty six pounds and sixty seven pence (£11,666.67) for year one net, (£1,000 per month net for 10 months then £833.33 per month net)
Year 2 to 5 Rent £10,000 pa Net

FIRST PAYMENT DATE

The 1st October 2015.

MONTHLY PAYMENT DATE

The 1st day of every month

RENT REVIEW DATES

No Rent Review

RENT DEPOSIT

One Thousand pounds (£1,000)

The Landlord lets the property to the Tenant for the lease term at the rent and on the terms in clauses 1 to 19.

TENANT'S OBLIGATIONS

1. PAYMENTS

1. The Tenant is to pay the Landlord:

1.1 the rent, which is to be paid by the following instalments:

- (a) on the first payment date, a proportionate sum from that date to the next monthly payment date
- (b) on each monthly payment date, one-twelfth of the annual rent

1.2 the service charge in accordance with clause 3, and whenever a sum is overdue the Landlord is entitled to recover it as if it were rent in arrear

1.3 a fair proportion (decided by a surveyor whom 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 (including professional fees) of any works to the property which the Landlord does after the Tenant defaults

1.5 the costs and expenses (including professional fees) which the Landlord reasonably incurs in:

- (a) dealing with any application by the Tenant for consent or approval, whether it is given or not
- (b) preparing and serving a notice of a breach of the Tenant's obligations, under section 146 of the Law of Property Act 1925, even if forfeiture of this lease is avoided without a court order
- (c) preparing and serving schedules of dilapidations in respect of the property either during the lease term or recording failure to give up the property in the appropriate state of repair when this lease ends

1.6 interest at the rate of 4% above the base lending rate of Barclays Bank Plc on any of the above payments when more than fourteen days overdue, to be calculated from its due date

1.7 in making payments under this clause:

- (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 on the due date to the appropriate authorities

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 to the appropriate authority

2.3 all charges for all water, gas, electricity, telephone and similar services consumed at the property and will pay a fair proportion of any which relate to both the property and other premises

2.4 a registration fee of £40 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. SERVICE CHARGE

3. The Landlord and the Tenant agree that: The Service Charge is fixed at £1,800.00 Net per Annum (to be invoiced monthly)

3.1 the service charge is the Tenant's fair proportion of each item of the service costs

3.2 the service costs:

- (a) are the costs which the Landlord fairly and reasonably incurs in complying with obligations under clauses 11 and 12
- (b) include the reasonable charges of any agent, contractor, consultant or employee whom the Landlord engages to provide the services under clauses 11 and 12

(c) include interest at no more than 4% above the base lending rate of Barclays Bank Plc on sums the Landlord borrows to discharge his obligations under clauses 11 and 12

3.3 the Tenant is to pay the Landlord interim payments on account of the service charge within 21 days of receiving a written demand setting out how it is calculated

3.4 an interim payment is to be the Tenant's fair proportion of what the service costs are reasonably likely to be in the three months following the demand

3.5 the Landlord is not entitled to demand interim payments more than once every three months

3.6 the Landlord is to keep full records of the service costs and at least once a year is to send the Tenant an account setting out, for the period since the beginning of the lease term or the last account as the case may be:

- (a) the amount of the service costs
- (b) the service charge the Tenant is to pay
- (c) the total of any interim payments the Tenant has paid
- (d) the difference between the total interim payments and the service charge

3.7 within 21 days after the Tenant received the account, the amount mentioned in clause 3.6(d) is to be settled by payment between the parties, except that the Landlord is entitled to retain any overpayment towards any interim payments already demanded for a later accounting period

3.8 the Landlord is either:

- (a) to have the account certified by an independent chartered accountant, or
- (b) to allow the Tenant to inspect the books, records, invoices and receipts relating to the service costs

3.9 disagreements about the amounts of the service charge or the service costs are to be decided by arbitration under clause 16.3

4. USE

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

4.1 to use the property only for the use allowed

4.2 not to obstruct any part of the Building used for access to the property or to any other part of the Building

4.3 not to do anything which might invalidate any insurance policy covering any part of the Building or which might increase the premium

4.4 not to hold an auction in the property

4.5 not to use any part of the Building 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

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

4.7 not to overload any part of the property

4.8 to comply with every statutory obligation authorising or regulating how the property is used, and to obtain, comply with the terms of, renew and continue any licence or registration which is required

5. ACCESS

5. The Tenant is to give the Landlord, or anyone with the Landlord's written authority, access to the property:

5.1 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 6.8 or 12
- (c) complying with any statutory obligation
- (d) viewing the property as a prospective buyer, tenant or mortgagee
- (e) valuing the property
- (f) inspecting, cleaning or repairing neighbouring property, or any sewers, drains, pipes, wires or cables serving the Building or any neighbouring property

5.2 and only on seven days' written notice except in an emergency

5.3 and during normal business hours except in an emergency

5.4 and the Landlord is promptly to make good all damage caused to the property and any goods there in exercising these rights

6. CONDITION AND WORK

6. The Tenant is to comply with the following duties in relation to the property, and for this purpose the inside of the property includes all ceilings, floors, doors, door frames, windows and window frames and the internal surfaces of all walls but excludes joists immediately above the ceilings and supporting the floors:

6.1 to maintain the state and condition of the inside of the property, but the Tenant need not alter or improve it except as required in clause 6.7

6.2 to decorate the inside of the property in last three months of the lease term (however it ends) except to the extent that it has been decorated in the previous year

6.3 when decorating, to use the colours and the types of finish used previously

6.4 not to make any structure alterations or additions to the property

6.5 not to make any other alterations unless the Landlord gives written consent in advance (and the Landlord is entitled to withhold that consent at his absolute discretion)

6.6 to notify the Landlord of all alterations or additions to the property not covered by clauses 6.4 or 6.5

6.7 to do any work to the property required under a statute even if it alters or improves the property. Before the work is to be done, the Tenant is to obtain the Landlord's written consent (and the Landlord is not entitled to withhold that consent unreasonably). Any dispute is to be decided by arbitration under clause 16.3

3 if the Tenant fails to do any work which this lease requires and the Landlord gives the Tenant written notice to do that work. In such a case, the Tenant is to start the work within two months, or immediately in case of emergency, and proceed diligently with it. In default, the Tenant is to permit the Landlord to do the work

6.9 However, this clause

- (a) does not require the Tenant to make good damage by a risk not required to be insured under clause 11.1 unless resulting from the act or default of the Tenant
- (b) only requires the Tenant to make good damage caused by an insured risk to the extent that the insurance money has not been paid because of any act or default of the Tenant
- (c) does not require the Tenant to make good a latent defect of which the Tenant has notified the Landlord within the lease period or any want of repair attributable to such a latent defect or to contribute towards the costs of such making good or repair.

7. TRANSFER ETC

7. The Tenant is to comply with the following:

7.1 the Tenant is not to share occupation of the property and no part of it is to be transferred, sublet or occupied separately from the remainder

7.2 the Tenant is not to transfer the whole of the property unless the Landlord gives written consent in advance (and the Landlord is not entitled to withhold that consent unreasonably)

7.3 the Tenant is not to sublet the whole of the property

7.4 within four weeks after the property is transferred or mortgaged, the Landlord's solicitors are to be notified and a copy of the transfer or mortgage sent to them for registration with the fee payable under clause 2.4

8. OTHER MATTERS

8. The Tenant:

8.1 is to give the Landlord a copy of any notice concerning the property or any neighbouring property as soon as it is received

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

8.3 is not to apply for planning permission relating to the use of the property or any addition or alteration unless the Landlord gives written consent in advance (and the Landlord is not entitled to withhold that consent unreasonably where the use or addition or alteration is permitted by this lease or has the Landlord's written consent)

8.4 in occupying and doing work on the property, and in using any part of the Building, is to comply with all statutory requirements

9. DAMAGE

9. If the building is damaged by any of the risks required 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 a fair proportion of it, is to be suspended until the whole of the property can again be used for the use allowed

9.2 if at any time it is unlikely that the damage will be fully repaired before the end of the lease term, 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 in which case

- (a) the insurance money belongs to the Landlord and
- (b) the Landlord's obligation to make good damage under clause 11 ceases

9.3 if the insurers refuse to pay all or part of the insurance money because of the Tenant's act or default:

- (a) to the extent of that refusal, the Tenant cannot claim the benefit of clause 9.1
- (b) the Tenant cannot serve notice under clause 9.2

9.4 if the Building is damaged (but not as a result of the act or default of the Tenant) by a risk not required to be insured under clause 11.1 and as a result of that damage the property, or any part of it, cannot be used for the use allowed:

- (a) the rent or a fair proportion of it is to be suspended until the whole property can again be used for the use allowed and
- (b) not earlier than two months after the date of the damage, either the Landlord or the Tenant may, unless the Landlord has previously undertaken promptly to make good the damage, end the lease by giving at least one month's notice to the other

9.5 any dispute under any part of this clause is to be decided by arbitration under clause 16.3

10. THE HEAD LEASE

10.1 The Head Lease means the lease dated 8th November 1967 and made between (1) The Mayor Aldermen and Burgesses of the Borough of Basingstoke and (2) Vickers Limited

10.2 The Tenant is to comply with the obligations, so far as they relate to the property, undertaken in the Head Lease by the person named in it as tenant, except the obligation to pay the rent

10.3 The Landlord is to pay the rents payable under the Head Lease promptly and is to take all reasonable steps to enforce promptly the obligations undertaken by the head landlord in the Head Lease

LANDLORD'S OBLIGATIONS AND FORFEITURE RIGHTS

10. QUIET ENJOYMENT

10. The Landlord is to allow the Tenant to possess and use the property without lawful interference from the Landlord, anyone who derives title from the Landlord or any trustee for the Landlord

11. INSURANCE

11. The Landlord is to:

11.1 keep the Building (except the plate glass) insured on reasonable terms with reputable insurers to cover

- (a) full rebuilding, site clearance, professional fees, value added tax and three years' loss of rent
 - (b) against fire and such other risks reasonably required by the Landlord
- so far as cover is available at normal insurance rates for the locality and subject to reasonable excesses and exclusions

2 take all necessary steps to make good as soon as possible all damage to the Building by insured risks except to the extent that the insurance money is not paid because of the act or default of the Tenant

12. SERVICES

12. The Landlord is to comply with the following duties in relation to the Building:

12.1 to maintain the state and condition (including the decorations) of:

- (a) the structure, outside, roof, foundations, joists, floor slabs, load bearing walls, beams and columns of the Building and any plant, machinery and fixtures required to provide the services listed in clause 17
- (b) those parts of the Building which tenants of more than one part can use ("the common parts")

12.2 to pay promptly all periodic rates, taxes and outgoings relating to the common parts, including any imposed after the date of this lease (even if of a novel nature)

12.3 to pay or contribute to the cost of repairing, maintaining and cleaning party walls, party structures, yards, gardens, roads, paths, gutters, drains, sewers, pipes, conduits, wires, cables and other things used or shared with other property

12.4 to provide the services listed in clause 17, but the Landlord is not to be liable for failure or delay caused by industrial disputes, shortage of supplies, adverse weather conditions or other causes beyond the control of the Landlord

13. FORFEITURE

13. This lease comes to an end if the Landlord forfeits it by entering any part of the property, which the Landlord is entitled to do whenever:

- (a) payment of any rent is fourteen days overdue, even if it was not formally demanded
- (b) this Tenant has not complied with any of the terms of this lease
- (c) the Tenant if an individual (and if more than one, any of them) is adjudicated bankrupt or an interim receiver of the Tenant's 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 had an administrative receiver appointed or had an administration order made in respect of it or the directors of the Tenant give notice of their intention to appoint an administrator

The forfeiture of this lease does not cancel any outstanding obligation of the Tenant

14. END OF LEASE

14. When this lease ends the Tenant is to:

14.1 return the property to the Landlord leaving it in the state and condition in which this lease requires the Tenant to keep it

14.2 (unless the Landlord requires otherwise) remove anything the Tenant fixed to the property and make good any damage which that causes

14.3 remove all the alterations or additions to the property made by the Tenant or its predecessors without the Landlord's consent (where that consent was required)

14.4 remove all or any of the alterations or additions to the property made, either with the Landlord's consent or where such consent was not required, by the Tenant or its predecessors in title if –

- (a) the Landlord requires, and
- (b) the Landlord gives the Tenant written notice of the requirement before the end of this lease

14.5 not to leave any goods in the property. If the Tenant leaves any goods in the property, the tenant authorises the Landlord to sell those goods on behalf of the Tenant. The Landlord shall account to the Tenant for the proceeds less the Landlord's reasonable expenses

PROPERTY RIGHTS

FACILITIES

15.1 The tenant is to have the following rights for the Tenant and visitors, whether or not exclusive:

- (a) to come and go to and from the property over the parts of the Building designed or designated to afford access to the property
- (b) shelter and support of the property as is now enjoyed
- (c) to use the existing service wires, pipes and drains, and
- (d) to use the parking area shown edged red on the attached plan for parking the number of vehicles specified above

15.2 The Landlord is to have the following rights for the Landlord, tenants of other parts of the Building and visitors over the property:

- (a) to come and go to and from other parts of the Building over the parts of the property designated for that purpose
- (b) shelter and support as is now enjoyed
- (c) to use the existing service wires, pipes and drains

GENERAL

16.1 PARTIES' RESPONSIBILITY

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

16.2 SERVICE OF NOTICE

The rules about serving notices in section 196 of the Law of Property Act 1925 (as since amended) apply to any notice given under this lease

16.3 ARBITRATION

Any matter which this lease requires to be decided by arbitration is to be referred to a single arbitrator under the Arbitration Act 1996. The Landlord and the Tenant may agree the appointment of an arbitrator, or either of them may apply to the President of the Royal Institution of Chartered Surveyors to make the appointment

16.4 HEADINGS

The headings do not form part of this lease

17. SERVICES

These are the services mentioned in clause 12.4

- Cleaning of the common parts
- Lighting of the common parts
- Heating of the common parts
- Lift maintenance
- Hot and cold water to wash hand basins in the common parts
- Fire alarms and extinguishers in the common parts

- Heating in the property
- Furnishing the common parts
- General maintenance
- Equipment hire
- Security
- Refuse collection

18. RENT DEPOSIT

18.1 The Landlord acknowledges receipt of the Rent Deposit

18.2 The Landlord holds the Rent Deposit as security for any default by the Tenant, default meaning a failure to pay:

- (a) the rent
- (b) any other money, including interest, payable under this lease
- (c) any expense incurred by the Landlord or due to the Landlord resulting from any failure by the Tenant to observe and perform the tenant's obligations contained in this lease or from the ending of this lease before the end of the term by forfeiture or disclaimer or otherwise than by agreement whether or not any formal demand has been made

3 The Landlord may at any time and without prior notice to the Tenant draw on the Rent Deposit for an amount not exceeding any sum due to the Landlord arising out of a default by the Tenant

18.4 If the Landlord makes a withdrawal from the Rent Deposit the Tenant must deposit with the Landlord within 7 days an amount equal to the sum withdrawn (and the Landlord will hold this payment in the same way as the original Rent Deposit was held)

18.5 The Landlord shall repay to the Tenant any sum left in the Rent Deposit when all of the following have occurred:

- (a) 1 months have passed after the end of the lease and
- (b) the Landlord has been given vacant possession of the property and
- (c) the Landlord has confirmed in writing that he has no claim for breach of any of the terms of this lease

18.6 Any interest that accrues on the Rent Deposit is to form part of the Rent Deposit and will form part of any sum due to be repaid to the Tenant under clause 18.5.

19.0 BREAK CLAUSE

19.1 Break Date: A date which is at least twelve months after service of the Break Notice.

Break Notice: Written notice to terminate this lease specifying the Break Date.

19.2. EXERCISE OF BREAK

The Landlord may terminate this lease by serving a Break Notice at any time on the Tenant.

19.3. TERMINATION

19.3.1 Following service of a Break Notice this lease shall terminate on the Break Date.

19.3.2 Termination of this lease on the Break Date shall not affect any other right or remedy that either party may have in relation to any earlier breach of this lease.

20. NO SECURITY OF TENURE

20.1 The Landlord and the Tenant have agreed that Landlord and Tenant Act 1954 sections 24 to 28 do not apply

20.2 The Landlord has served on the Tenant a notice in the form, or substantially in the form, set out in Schedule 1 to the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 ("the Order")

20.3 The requirements specified in Schedule 2 to the Order have been met in that the Tenant has made the appropriate declaration in the form, or substantially in the form, set out in Schedule 2 to the Order

Attach

Plan(s) property shown edged yellow

Signed as a deed by ALAN JAMES SAITCH
and delivered in the presence of:

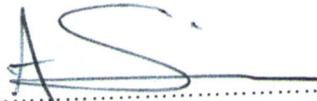

ALAN JAMES SAITCH

JENNY RADBOURNE
Witness's Name (in Block Capitals)


WITNESS (Signature)

FACILITIES MANAGER
VICKERS BUSINESS CENTRE
VICKERS HOUSE, PRIESTLEY ROAD, B1STOKE, HANTS. RG24 9NP
Witness's occupation and address

Signed as a deed by AVRIL JACQUELINE SAITCH
and delivered in the presence of:


AVRIL JACQUELINE SAITCH

JENNY RADBOURNE
Witness's Name (in Block Capitals)


WITNESS (Signature)

FACILITIES MANAGER
VICKERS BUSINESS CENTRE
VICKERS HOUSE, PRIESTLEY ROAD, B1STOKE, HANTS. RG24 9NP
Witness's occupation and address

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

Foster's Cafe Ltd

The Tenant is a company:-

- (a) two directors, or
 - (b) a director and a company secretary, or
 - (c) a single director whose signature is independently witnessed
- must sign on behalf of the company

EITHER

(a)/(b) Signed as a deed by the Tenant
Acting by


D FOSTER
Director

Director /Secretary (delete as appropriate)

OR

(c) Signed as a deed by/on behalf of the Tenant
and delivered in the presence of:

Director

JENNY RADBOURNE
Witness's Name (in Block Capitals)

J Radbourne
WITNESS (Signature)

FACILITIES MANAGER
VICKERS BUSINESS CENTRE
VICKERS HOUSE, PRIESTLEY ROAD, B1STOKE, HAMPS RG24 9NP
Witness's occupation and address
