

Heads of Terms for a Lease Appendix 2

Proposal A new lease to Farnborough College of Technology
Property address 3rd Floor Civic Offices, Harlington Way, Fleet GU51 4AE

Subject to Contract and Without Prejudice
Subject to Member/Cabinet Approval

1	Landlord:	Hart District Council, Civic Offices, Harlington Way, Fleet, GU51 4AE
2.	Landlord's Solicitors:	Basingstoke and Deane Borough Council Shared Legal Services Civic Offices London Road Basingstoke RG21 4AH For the attn. of Paul Barber E-mail: Tel No:
3.	Landlord's Surveyors	Lisa Mortimer MRICS Estate Surveyor Hart District Council For the attn. of Lisa Mortimer E-mail: Lisa.Mortimer@hart.gov.uk Tel No: 07790 973338
4.	Tenant	Farnborough College of Technology Boundary Road Farnborough GU14 6SB Contact: Pankaj K Makwana Tel: 01252 407298 Email: p.makwana@farn-ct.ac.uk
5.	Tenant's Solicitors	TBA Contact: Tel : Email:
6.	Tenant's Surveyors	TBA Contact: Tel : Email:
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7.	Transaction Summary	<p>The Landlord will grant a new internal repairing lease for a term of 5 years commencing from the date of the lease</p> <p>A mutual break clause – either party to provide at least one years written notice to vacate at any time within the duration of the lease period.</p> <p>The lease will be outside the security of tenure provisions of the Landlord and Tenant act 1954 Part II (as amended).</p>
8.	Demised Premises:	<p>To comprise 3rd floor offices at Civic Offices, Harlington Way, Fleet, GU51 4AE extending to approximately x sq.ft, together with associated access, car and bike parking [number of car parking and bike spaces to be agreed]</p> <p>The gross internal area for rental purposes will be as defined by the RICS Property Measurement Statement and to be confirmed by joint measurement on Practical Completion of the internal refurbishment and alteration works</p>
9.	Car parking/cycle provision	<p>Farnborough College of Technology staff and student will require access to the secured bike shed.</p> <p>Any car parking will be subject to additional charges as agreed between the parties.</p>
10.	Rent payment commencement date	Rent will be payable from 1 st September 2022
11.	Rent	<p>Initial rent: £230,000 per annum (inclusive of VAT, service charges, utilities, and business rates).</p> <p>Rent will be payable quarterly in advance commencing on 1st September 2022, with payments then on 1/1, 1/4, 1/7, 1/10 thereafter.</p> <p>The Notice period will be one year from July.</p> <p>The rent will be reviewed after the first year (1st September 2023) to see if there is potential for the service charge and any associated costs to be reduced.</p>
12.	Repairs	<p>Landlord to be responsible for the external structure, common areas used to access the premises e.g. ground floor reception.</p> <p>Tenant to be responsible for internal repairs to the 3rd floor demise. Before the commencement of the lease a full photographic condition survey is to be carried out to provide a benchmark as to the condition the demise should be re-instated to at the end of the lease (however so determined). The schedule will be attended to the lease.</p> <p>The condition survey to be carried out to by a building surveyor instructed by the Council and agreed with the tennant.</p>

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13.	Rent Review	A rent review provision will be inserted into the lease on the 3 rd anniversary of the term. Time will not be of the essence and any revised rent shall be based on the open market rental value based on [commercial office use] at the rent review date in an upwards direction only.
14.	Rent Deposit	None required
15.	Landlord's works	Hart DC will provide barriers/restricted access to Ground, 1 st and 2 nd Floor at its own cost.
16.	Service charge and insurance	<p>The rent is inclusive of all service charges but the charges with respect of the maintenance and management of the common parts, utilities, insurance, and a proportion of the business rates for the building will be detailed to enable costings to be assessed after the first year.</p> <p>Based on floor space it is calculated that the 3rd floor proportionate share is 26.7%. Schedule to be provided.</p>
17.	Services	All services charges are included within the rent
18.	Business rates	Business rates are to be included in the rent.
19.	Planning and Building Regulation matters	The tenant is to apply for all regulatory consents and permissions, including any necessary approvals under the building regulations and be responsible for all costs incurred in these matters.
20.	Alterations	<p>External or structural alterations to the property will not be permitted.</p> <p>The tenant shall supply a set of drawings that show the full of the extent of the proposed internal 3rd floor layout. Landlord's prior approval will be required before any works are commenced and are to be documented by a Licence for Alterations (not to be unreasonable withheld or delayed)</p> <p>The tenant shall provide a detailed specification, drawings and programme of works as soon as possible.</p> <p>The tenant shall bear the Landlord's costs as well as their own in the documenting and preparation of the formal Licence for Alterations.</p>
21.	Alienation	The tenant shall not be permitted to sublet or assign the premises.
22.	Yielding Up	<p>At the end of the term (however determined) the tenant is to re-instate the building to a condition no worse than as evidenced on the schedule condition (unless otherwise agreed by mutual consent between the landlord and the tenant).</p> <p>The tenant will also be obliged to redecorate internally in the third year of the term and 3 months prior to the end of the tenancy.</p>

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23	<i>Rights granted and other matters</i>	<ol style="list-style-type: none"> 1. Subject to availability, use of additional meeting rooms are to be agreed and booked through Hart DC and payment is to be made in arrears. 2. Subject to access agreements, Farnborough College of Technology IT servers may be located in the same secure room as Hart DC– for security and cooling
24	<i>Permitted use</i>	The use of the demised premises will be for a further and higher education college facility solely Farnborough College of Technology
25.	<i>Access</i>	<p>Use guaranteed during Hart DC opening hours (Monday – Thursday 8.30am – 5pm and Friday 8.30am- 4.30pm) and subject to agreement by the parties for additional hours as required to operate the college facility and no cost to the tenant.</p> <p>[Note: Discussions are still underway with regard to potential access to a shower facility and additional toilet facilities on the ground, first, and second floor].</p>
26.	<i>Legal & Surveyor costs</i>	Each party is to be responsible for their own costs.
27.	<i>VAT</i>	All figures are quoted exclusive of VAT, which is to be confirmed.
28	<i>Additional items</i>	<p>This transaction is made subject to:</p> <ol style="list-style-type: none"> i. Confidentiality ii. Landlord's approval to the proposed Tenant's specification of works iii. The requisite Authority being obtained from Hart DC Cabinet iv. Contract

We hereby agree to these Heads of Terms.

Signed:

Dated:

For and on behalf of Hart District Council

Signed:

Dated:

For and on behalf of Farnborough College of
Technology

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