

The standard Southwark lease clause by clause

Title Numbers: ****TITLE NUMBER****

Property: ****THE PROPERTY****

THIS LEASE is dated ****DATE**** and made **BETWEEN THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF SOUTHWARK** of the Town Hall Peckham Road London SE5 (hereinafter referred to as “the Council”) of the one part and ****LEASEHOLDER NAME**** of ****LEASEHOLDER ADDRESS**** (hereinafter referred to as “the Lessee”) of the other part

IN THIS LEASE the following expressions shall where the context admits have the following meanings:

the building means the building known as ****THE BUILDING**** including any grounds outbuildings gardens yards or other property appertaining exclusively thereto

the estate means the estate known as ****THE ESTATE**** including all roads paths gardens and other property forming part thereof but should the flat not form part of a Council estate this clause and any subsequent reference in this Lease to the ‘estate’ shall have no force or effect

the flat means the flat and land (if any) shown coloured pink on the plan or plans attached hereto and known as Number ****NUMBER**** on the ****FLOOR**** floor/s of the building and including the ceilings and floors of the flat the internal plaster and faces of the exterior walls of the flat and the internal walls of the flat (and internal walls bounding the flat shall be party walls severed medially) but excluding all external windows and doors and window and door frames the exterior walls roof foundations and other main structural parts of the building

the services means the services provided by the Council to or in respect of the flat and other flats and premises in the building and on the estate and more particularly set out hereunder (where and when applicable)

- Central heating
- hot water supply
- lift
- caretaking lighting and cleaning of common areas
- entry-phone system
- concierge service
- maintenance of common television aerial or landline
- maintenance of estate roads and paths
- estate lighting
- maintenance of gardens or landscaped areas
- unitemised repairs

Guidance notes

The lease is the contract between you (the lessee) and the council (the lessor), which sets the terms of occupation of the property.

The ‘Date’ is the date that the lease was granted to the first leaseholder. This may differ from the date on the ‘Term of the Lease’, which may be the date the first lease in the block was sold.

‘Leaseholder Name’ is the name (or names) of the first person(s) to whom the lease was granted by the council. The names of subsequent ‘assignees’ will be recorded on ‘Deeds of Assignment’. All the conditions of the lease apply to the newest lessee.

The ‘Leaseholder Address’ is the address of the first assignee(s).

The lease refers to the ‘Building’ and ‘Estate’. These mean the block your flat is in and the estate the block is on. If your flat isn’t on an estate, then you can ignore any reference in the lease to ‘estate’.

The term **the flat** occurs throughout the lease and refers to the specific property, and any land, which has been sold to you. The plan attached to the lease highlights in pink what is included in ‘the flat’.

There are certain services that the council provides to your flat, other flats and common areas of the property. These vary according to the property type. They may include: central heating, hot water supply, lift, caretaking, lighting and cleaning of common areas, maintenance of common television aerial or landline, maintenance of estate roads and paths, estate lighting, refuse disposal, maintenance of gardens or landscaped areas and unitemised repairs.

amount of discount referred to in clause 5(2) hereof means the sum of £**AMOUNT**

the premium means the sum of £**AMOUNT**

the term means the term of 125 years from the date hereof

WHEREAS

(A) The Council is registered at H M Land Registry as proprietor with Absolute title of the freehold property comprised in the title number(s) referred to above

OR IF UNREGISTERED

The Council is the freehold owner of the premises hereby demised together with other property

(B) The Lessee is entitled under the Housing Act 1985 (hereinafter referred to as “the Act”) to be granted a long lease of the property hereinafter demised

(A) The Council has granted or intends to grant leases of other flats in the building (as hereinbefore defined) or on the estate (as hereinbefore defined) under the Act and has in every such lease imposed and intends in every future such lease to impose (so far as they are able) the restrictions contained in Clause 3 hereof to the intent that any Lessee for the time being under any lease of any flat in the building or on the estate may be able to enforce the observance of the said restrictions by the Lessees or occupiers for the time being of other flats

Information

From this point on, the lease is divided into clauses, sub-clauses and paragraphs. On occasions, the lease will refer to those appearing earlier or later in the lease, without repeating their contents. It is important to remember that:

Clauses appear as numbers like this: 1

Sub-clauses appear in brackets like this (2) or this: (2)(a)

‘Schedules’ (additions) to the lease are headed in bold type to enable you to refer quickly to them. They appear like this: **FIRST SCHEDULE**

The lease will also refer to sections in other legislation that affect your status as a leaseholder. The lease will not provide any explanation as to what is included in this legislation.

It will be up to you to obtain this information.

Council tenants may be offered a discount on the purchase of a council property under Right to Buy. The ‘amount of discount’ is the total sum deductible from the market value of the property. The payable amount after the discount is ‘the premium’. ‘The term’ referred to in the lease is 125 years and begins on the ‘Commencement Date of Term’.

(A) This section states that the Council is registered with H M Land Registry (a government department) as proprietor with Absolute title of the freehold property detailed above.

However, if the council is not registered as above at HM Land Registry, it is nevertheless declared here that the council owns the freehold of the property and is able to grant a lease on the property.

(B) You have the right to be granted an appropriate long lease. This will, in most cases, be a period of 125 years (though it is important to check your own lease closely, as this is not true in all cases).

(A) The lease imposes certain restrictions on the ways in which a property and its surroundings can be used (see Clause 3 below). The restrictions in Clause 3 apply to all leaseholders in the block or on the estate.

NOW THIS DEED WITNESSETH as follows:

1 IN pursuance of the Act and in exercise of all other (if any) powers enabling it and in consideration of the premium paid to the Council by the Lessee (the receipt of which the Council hereby acknowledges) and of the rent and covenants by the Lessee hereinafter reserved and contained the Council **HEREBY DEMISES** unto the Lessee with full title guarantee **ALL THAT** the flat **TOGETHER WITH** the easements and rights set out in the First Schedule hereto **EXCEPT AND RESERVING** as set out in the Second Schedule hereto **TO HOLD** the same for the term paying therefore during the term the yearly rent of £10 by annual payments in advance on the anniversary of the date hereof in each year the first of such payments to be made on the date hereof

2 THE Lessee hereby covenants with the Council:

- (1) To pay the said rent at the times and in manner aforesaid without any deduction
- (2) To pay all rates taxes assessments charges impositions and outgoing which may at any time during the said term be assessed charged or imposed on the flat or any part thereof or the owner or occupier in respect thereof
- (3)(a) To pay the Service Charge contributions set out in the Third Schedule hereto at the times and in the manner there set out
- (b) If any payment of or on account of Service Charge is not made on the due date for payment thereof for any reason including dispute as to the amount properly payable then to pay interest thereon from the due date until the date of payment as well after as before any judgment upon the amount properly payable at 5% above the National Westminster Bank PLC Base Rate prevailing from time to time
- (c) Notwithstanding the foregoing nothing in this sub-clause(3) or in the Third Schedule hereto shall oblige the Lessee to pay any sums which by virtue of paragraphs 16A,16B,16C or 18 of Schedule 6 to the Act (as amended by the Housing and Planning Act 1986) the Lessee is not liable to pay

1 In return for 'the premium' and agreement to pay the Ground Rent and keep to the covenants in the lease, the council passes ownership of the lease to you.

This lease refers to all that is directly related to the property, including the rights detailed in the **First Schedule** (see below). This section also reminds you that the Ground Rent is £10, payable yearly on the anniversary of the first payment date (the day the lease is completed).

2 The section that follows outlines your obligations as a leaseholder. You agree to:

- (1) Pay the Ground Rent on time and in full
- (2) Pay all bills relating to the flat, the owner of the flat (you) and any occupier of the flat.

(3)(a) Pay Service Charges on time and in line with the terms of the lease set out in the **Third Schedule** (see below).

(b) If you don't pay your Service Charge then you must pay interest on the overdue payment at 5% above the Nat West base rate until the payment is made in full. This applies even if you're disputing the works.

(c) However, should any Service Charge come under the headings outlined in paragraphs 16A, 16B, 16C or 18 of Schedule 6 of the Housing Act 1985, the leaseholder doesn't have to pay those Service Charges. This means any charges in the 'initial period' not listed in the offer notice .

(4) To keep the flat and every part thereof (except any part which the Council is obliged to repair under Clause 4 hereof) and all walls sewers drains pipes cables wires and appurtenances thereof in good and tenable repair and condition (including decorative repair)

(5) To permit the Council and their agents and licensees upon reasonable notice to enter the flat to examine the state and condition thereof and to make good all defects decays or wants of repair of which notice in writing shall be given by the Council to the Lessee and for which the Lessee may be liable hereunder within three months of service of such notice

(6) To permit the Council and their agents and licensees upon reasonable notice to enter the flat for the purposes of:

(i) examining any part of the building for the repair of which the Council is responsible or for the purpose of carrying out any works reasonably required for the performance of the Council's obligations under Clause 4 hereof or under any lease underlease or tenancy of any other part of the building or otherwise

(ii) pest eradication treatment and in the event that the Lessee fails to keep a second notified appointment (in writing) during a programme of such treatment the Council and/or its appointed agents shall be entitled to force entry into the flat to carry out such treatment the person(s) so entering causing as little disturbance as possible and making good any damage caused as a result of such entry and leaving the flat in a secure condition

(iii) installing any of the items mentioned in paragraph 7(9) of the Third Schedule hereto; and

(iv) making good (at the expense of the Lessee) any defects decays or wants of repair of which notice has been given under the foregoing covenant and which the Lessee has not made good within three months of the service of such notice (in which case the cost of such works shall be a debt due from the Lessee to the Council and forthwith recoverable by action) the person so entering doing no unnecessary damage and making good all damage caused as soon as reasonably possible

(7) Not to make any structural alterations or structural additions to the flat or remove any of the Landlord's fixtures and fittings without the previous consent in writing of the Council

(8) Not to disconnect the flat from the district central heating system if such system serves the flat without the previous consent in writing of the Council

(4) You must keep the parts of your property that you're required to maintain in good repair. This includes any decorative repairs that may be necessary.

(5) You must allow the council to inspect your flat, and you must carry out any repairs which are your responsibility, within three months of receiving written notice from the council telling you to do so.

(6) You must allow the council and its agents to have access to your property (in line with the above) when the council is required to do any of the following:

(i) Examine the building to see if any repairs, for which the council is responsible, are necessary.

(ii) Treat the building to destroy pests. The council may force entry if you fail to keep a second appointment we've told you about.

(iii) Improve the building by installing double-glazed windows or an entry-phone system

(iv) Repair or make good any defects that you as a leaseholder are required to do, but you haven't done. In this case, the council can recover the cost from you.

(7) You must not make any alterations to the structure of your property, or remove any of the fixtures and fittings without written permission from the council.

(8) You must not disconnect your property from the district heating system without first getting written permission from the council

(9) Within one month after the same shall be executed or shall operate or take effect or purport to operate or take effect to give notice in writing to the Council at Strategic Services Department South House 30-32 Peckham Road London SE5 8PX and to produce to the Council a copy of any transfer mortgage or charge of this lease or any part thereof or any underlease of the flat for substantially the whole of the unexpired term and every assignment of such underlease or any probate letters of administration Court Order or other instrument effecting or evidencing any devolution of title to this lease or any underlease and to pay to the Council a fee of £30.00 or such other sum as the Landlord shall reasonably require in respect of every such notice

(10) Forthwith after service upon the Lessee or occupier of the flat of any notice affecting the flat served by any person or body (other than the Council) to deliver a true copy thereof to the Council and to join with the Council in making such representations to such person or body concerning any proposals affecting the flat as the Council may consider desirable and to join with the Council in any appeal against any Order or direction affecting the flat as the Council may consider desirable

(11) Upon receipt of any lawful notice Order or direction from any competent authority affecting the flat requiring anything to be done or not done or any works to be executed to comply with the same at the Lessee's expense

(12) To pay all costs charges and expenses incurred by the Council in abating any nuisance in the flat or executing any works necessary for that purpose

(13) To pay all costs charges and expenses (including Solicitors' costs and Surveyors' fees) incurred by the Council for the purpose of or incidental to the preparation and service of any notice under Section 146 of the Law of Property Act 1925 notwithstanding forfeiture is avoided otherwise than by relief granted by the Court

(9) If you re-mortgage, underlet or assign your property, it's your responsibility to let us know in writing. Your lease may show our old office address but please write to:

Southwark council
160 Tooley Street
London
SE1 2TZ

(10) If anyone other than the council serves any legal notice on the flat then you must deliver a copy of it to the council. You also agree to support any decision made by the council on matters relating to the flat.

(11) If you receive a lawful instruction concerning the flat from a competent authority, you must comply with it at your own expense.

(12) You agree to pay any costs caused by a nuisance in your property, and to pay for any works necessary to correct a nuisance in your property.

(13) If you breach the terms of your lease, the council may serve a Notice under Section 146 of the Law of Property Act 1925 on you and take you to court. If those proceedings are successful, the court may forfeit your lease. Whether or not the court agrees to the forfeiture, you'll be liable for the council's costs in the matter.

(14) At the expiration or earlier determination of the term peaceably to yield up the flat to the Council together with all additions thereto and all landlord's fixtures and fittings (if any) in good and tenable repair and condition as required by the provisions of this clause and of Clause 3(1) hereof

(15) By way of indemnity only to observe and perform the covenants and stipulations (if any) set out or contained or referred to in the Charges Register or Registers of the Council's title or titles above referred to so far as the same relate to the flat and are still subsisting and capable of taking effect and to indemnify the Council against all proceedings actions costs claims and demands in respect thereof

(16) To notify the Council forthwith upon the happening of an event giving rise to a liability under Clause 5(2) hereof

3 THE Lessee hereby covenants with the Council and with and for the benefit of the Lessees (whether under short or long leases and granted before or after this lease) and owners of other flats in the building or on the estate on behalf of the Lessee and those deriving title under him

(1) To keep the flat in good and tenable repair and condition (save any part thereof which the Council is obliged to repair under Clause 4 hereof) so as to provide shelter and support to parts of the building other than the flat

(2) to permit such Lessees and owners of other flats in the building upon reasonable notice (save in emergency) to enter the flat for the purposes:

(i) of carrying out any obligation of such Lessee or owner to the Council

(ii) of repairing maintaining or renewing any easement enjoyed by such Lessee over the flat

in either and all such cases causing as little disturbance as possible and making good all damage cause

(3) Not to do or permit or suffer to be done any act or thing which may render void or voidable any policy of insurance in respect of the building or any part thereof or cause an increased premium to be payable in respect thereof

(4) Not to use or suffer the flat to be used for any purpose other than as a private dwelling house

(5) Not to do or permit or suffer to be done any act or thing which may be or become a nuisance or annoyance to the Council or to the Lessees owners or occupiers of adjoining or neighboring property

(14) When the lease expires, or the term otherwise ends, you must return the flat to the council in good condition (this includes all of the council's fixtures and fittings).

(15) You agree to perform the covenants and stipulations set out in the Charges Register and pay the council the costs of any proceedings if you don't do so.

(16) You agree to tell the council if you intend to sell your house before the end of the three year period (see 5(2) below)

3 By accepting the terms of the lease, you accept the responsibilities set out below.

(1) The leaseholder is to maintain those aspects of the flat that the council is not responsible for, and on which other parts of the building are dependant.

(2) For certain purposes – for example in the case of emergency – the leaseholder agrees to allow other lessees and owners of other flats in the building to enter the flat. The lease specifies exactly what is considered a justifiable entry into another flat and how this action should proceed.

In any event, any person entering your flat under this provision is required to be as careful as possible and make good any damage they may cause.

(3) Leaseholders must avoid anything that may cause an increase in the insurance premium or invalidate the insurance policy relating to the flat or building.

(4) You may only use your flat as a private home.

(5) You must avoid any behaviour that will disturb the council, other lessees and occupiers of properties connected to yours.

- (6)** Not to keep any animal bird or reptile in the flat which the Council considers to be dangerous injurious to health or a nuisance
- (7)** Not to hang clothing or other articles out of or on windows balconies or common areas of the building or elsewhere other than in areas (if any) designated by the Council for that purpose
- (8)** Not to beat or shake carpets mops or other articles out of the doors or windows or from balconies of the flat
- (9)** Not to place flower pots or other objects outside the windows or on the balconies of the flat
- (10)** Not to obstruct any common parts of the building or of the estate
- (11)** Not to park any vehicle on the estate or the building (as defined) save as authorized by this lease or by the Council
- (12)** To observe all reasonable regulations made by the Council from time to time controlling the exercise of any easements or rights granted with this lease
- (13)** Not to use or play any radio television record player tape recorder or musical or other noise making instrument of any kind so as to cause nuisance or annoyance at any time to occupiers of any neighboring property or so as to be audible at all outside the flat
- (14)** Not to display any writing placard or advertisement at the flat so as to be visible from outside
- (15)** Not to erect any external wireless or television aerial
- (16)** Not to decorate any exterior part of the flat without the consent of the Council
- (17)** To observe and perform such other reasonable regulations or restrictions as may be made from time to time by the Council for the management of the building or of the estate

(6) You must not keep any animal the council considers dangerous in your flat.

(7) You must not hang clothes or other articles outside of windows, balconies or anywhere around your flat that is not designated for that purpose by the council.

(8) You must not beat or shake carpets.

(9) Plants or other objects must not be placed on balconies

(10) The common parts of your building are for all residents and owners to share. You must therefore not obstruct any area of your building considered to be communal.

(11) Parking your vehicle on the estate or building is not allowed other than as authorised by the council.

(12) It may be necessary for the Council to introduce reasonable regulation changes to the provisions of your lease. You must keep to these.

(13) Noise levels in your flat must be controlled so as to not disturb others around you. It's your responsibility to make sure that any potentially loud equipment, or any other noise you may cause, doesn't intrude on the spaces used by other flat owners.

(14) To make sure that your flat isn't being used for purposes other than as a private residence, advertising or any type of written placard must not be visible from the outside of your home.

(15) You must not to put up any external wireless or television aerial.

(16) Since the outside parts of the flat are the responsibility of the council, decorating these areas requires permission.

(17) The council may at times find it necessary to bring about new regulations or restrictions in order to manage the building or the estate where you live. You are required to keep to any new reasonable condition.

4 THE Council hereby covenants with the Lessee:-

- (1)** That the Lessee paying the rent hereby reserved and observing and performing the several covenants on his part and the conditions herein contained shall peaceably hold and enjoy the flat during the term without any interruption by the Council or any person rightfully claiming under or in trust for it

4 The council agrees to the following terms with the leaseholder:

- (1)** That by paying Ground Rent and agreeing to keep to the regulations of the lease, the leaseholder is entitled to enjoy and own the property for the term of the lease. No other party is allowed to lay claim to the property.

(2) To keep in repair the structure and exterior of the flat and of the building (including drains gutters and external pipes) and to make good any defect affecting that structure

(3) To keep in repair the common parts of the building and any other property over or in respect of which the Lessee has any rights under the First Schedule hereto

(4) As often as may be reasonably necessary to paint in a good workmanlike manner with two coats of good quality paint all outside parts of the building usually painted and also all internal common parts of the building usually painted

(5) provide the services more particularly hereinbefore set out under the definition of “services” to or for the flat and to ensure so far as practicable that they are maintained at a reasonable level and to keep in repair any installation connected with the provision of those services

Repairs

(6) To insure the building to the full insurance value thereof against destruction or damage by fire tempest flood and other risks against which it is normal practice to insure or to make other appropriate and adequate arrangements and in the event of destruction or damage by any such risk as aforesaid to rebuild or reinstate the flat and the building

(7) That should the Council hereafter grant a lease of any other flat in the building or on the estate they will (so far as they are able to) require any person to whom they so grant a lease to covenant to observe the restrictions set forth in Clause 3 hereto

(8) That the Council will assist the Lessee in whatever way is necessary (including taking legal proceedings in the name of the Council) to enforce any of the covenants by the Lessee of any lease of other flats in the building or on the estate on the Lessee indemnifying the Council against all costs and expenses in respect of such enforcement and providing such security in respect of costs and expenses as the Council may reasonably require Providing nevertheless that this covenant is without prejudice to the Lessee’s right to enforce the said covenants without the assistance of the Council

(9) When the Council maintains any such policy of insurance as is referred to in sub-clause (6) of this clause or the Third Schedule hereto the Lessee shall (in addition to his rights under the Third Schedule of the Landlord and Tenant Act 1987) be entitled to inspect such policy or policies upon reasonable notice at the offices of the Council during normal working hours at such offices

(2) The council will keep the structure of the building in good repair (including its drains, gutters and internal pipes) and that the council will repair any defects in the structure of the building.

(3) It's the council's responsibility to maintain any communal parts of the building.

(4) It's the council's responsibility to paint all outside and all communal internal parts of the building as and when necessary.

(5) It's the council's responsibility to provide the services outlined in “the services” section above.

These services may include: central heating, hot water supply, lift, caretaking, lighting and cleaning of common areas, maintenance of common television aerial or landline, maintenance of estate roads and paths, estate lighting, refuse disposal, maintenance of gardens or landscaped areas and unitemised items

(6) It's the council's responsibility to insure the building. It's also the council's responsibility to rebuild or repair the flat should it be damaged or destroyed.

(7) The council must make sure that other leaseholders in the building, or on the estate in which your property is situated, observe the same restrictions explained in Clause 3 of the lease.

(8) It's the council's responsibility to help leaseholders in any attempt to enforce the covenants set out in this lease, unless the leaseholder doesn't want help from the council.

(9) As a leaseholder, you're entitled to view the council's buildings insurance policy at the council's offices, provided that this viewing happens during the normal working hours of the council building in question.

5 PROVIDED ALWAYS and it is hereby agreed and declared as follows:

5 (1) If the rent hereby reserved or any part thereof shall be unpaid for twenty-one days after becoming payable (whether formally demanded or not) or if any covenant on the part of the Lessee herein contained shall not be observed or performed then and in such case it shall be lawful for the Council at any time thereafter to re-enter the flat or any part thereof in the name of the whole and thereupon this lease shall absolutely determine but without prejudice to any right of action or remedy of the Council in respect of any antecedent breach of any of the Lessee's covenants or the conditions herein contained

(2)(a) If within three years from the date hereof there shall be a disposal as hereinafter defined the Lessee will pay to the Council on demand a sum equal to the amount of the discount (specified in sub-sub-clause (d) below) reduced by one third of that amount for each complete year which shall elapse between the date of this lease and the date of that disposal **PROVIDED NEVERTHELESS** that if there shall be more than one such disposal the Council shall be entitled to demand payment only on the first one

(b) In this sub-clause the word "disposal" means an assignment of this lease or the grant of a lease or sub-lease for a term (not being a mortgage term) of more than 21 years otherwise than at a rack rent whether of the whole or part of the flat but the said word shall not include a disposal of the whole of the flat to the spouse or former spouse of the Lessee or to a member of the Lessee's family who has resided with him throughout the period of 12 months ending with the disposal nor shall it include a disposal of the whole of the flat pursuant to an order under Section 24 of the Matrimonial Causes Act 1973 or Section 2 of the Inheritance (Provision for Family and Dependents) Act 1975 nor a vesting in a person taking under a will or intestacy nor a compulsory disposal nor a disposal consisting solely of land included in the flat by virtue of Section 184 of the Act but the grant of an option enabling a person to call for a disposal shall be treated as a disposal

(c) To give effect to sub-clause (2)(a) of this Clause the Council and the Lessee hereby apply to the Chief Land Registrar to enter on the Register of the Lessee's title to the flat a notice of the Council's statutory charge pursuant to Section 156 of the Act

5 (1) After 21 days of being payable, the failure for the leaseholder to pay the full rent as set out in the lease – or any breach of any part of this contract on the part of the leaseholder – legally entitles the council to enter the flat. The lease supports whatever means may be taken by the council to manage any prior or existing breach, provided that it is without prejudice.

(2)(a) Within three years from the date of this lease, the disposal of a leasehold property will require the leaseholder to pay back part or the full amount of the discount they received on their purchase. The specific amount to be re-paid is shown in sub-clause (d) in this section.

The figure quoted here refers to the full discount received on purchase. The amount of repayment will be reduced by one third of this for each complete year that the leaseholder lives the property from the date of the lease.

If there is more than one disposal, the council is only entitled to demand a repayment for the first.

(b) When the granting of a lease or sub-lease, or the assignment of a property is referred to in this lease, the term 'disposal' is used.

However, the term 'disposal' does not apply in the following circumstances:

- If the lease is for a period of less than 21 years
- If the property is subject to a 'rack rent'
- If it'll involve the transfer of the property to a spouse or ex-spouse
- If it'll involve the transfer of the property to a family member that has lived in the property with you for the 12 months preceding the date of the transfer
- If the transfer occurs under Section 24 of the Matrimonial Act 1973 or Section 2 of the Inheritance Act 1975, or if due to it being legally granted or vested in another party
- If it's a mandatory disposal

(c) The amount of discount that becomes repayable upon the early disposal of your property must be paid. The council and the leaseholder must therefore take the necessary action to make sure that these specifications are attached to the leaseholders title to the flat (i.e. they must apply to the Chief Land Registrar).

(d) it is hereby declared that the amount of the discount referred to in sub-clause (2)(a) of this clause and Section 155(2) of the Act upon the grant of this lease was the amount hereinbefore stated under the definition of
“amount of discount”

(3) in this lease unless the context otherwise requires

(a) “the Council” includes the person for the time being entitled to the reversion immediately expectant on the determination of the term hereby granted

(b) “the Lessee” includes the successors in title of the Lessee

(4) Where the Lessee for the time being consists of two or more persons all covenants by the Lessee shall be deemed to be made by such persons jointly and severally

(5) Section 196 of the Law of Property Act 1925 shall apply to any notice under this lease

(6) Reference in this lease to any provision of any Act of Parliament shall where the context requires refer also to any amendment or re-enactment thereof for the time being in force

(d) What is defined as the amount of discount, as well as the corresponding figure, will refer to the amount of discount shown in sub-clause (2).

(3) In this lease, the following shall apply:

(a) Until further notice, the council will be considered to have full entitlement over the property once the period of the lease has elapsed.

(b) The person registered as in title of the property is the leaseholder and may be a successor.

(4) In the event that more than one person represents the leaseholder, each person sharing this role shall be bound to the terms of the lease equally and simultaneously.

(5) There are certain regulations that need to be followed when giving notices. These include:

- Legitimate notices will be in writing
- Notices must address the parties involved in the leasehold property by their title
- A notice will be considered served if left at the last place of residence or business of the relevant party
- A notice will also be considered served when sent by post in a registered letter to the relevant party
- All of the above must be observed for any process that calls for a notice and that may affect the property
- All of the above does not apply to notices served for court proceedings

(6) Any amendment or re-enactment (re-emergence of a previous legal condition) to any Act of Parliament mentioned in this lease shall apply when made necessary by the context.

6 IF the original grantees of this lease consist of two or more persons they hereby declare that they hold this lease upon the statutory trusts for sale and hold the net rents and profits until sale and the net proceeds of sale upon trust for themselves as joint tenants the survivor of whom can give a valid receipt for capital money arising on a disposition of the property

6 If the lease was granted jointly to two or more people, both parties agree to hold any profits from the sale or rent of the property for themselves. In the event of the death of one or more of the joint leaseholders, those that survive can claim any money arising from the sale of the property, providing that they have a valid receipt.

7 (a) Sub-clause (b) of this clause shall only have effect if the premium is less than or equal to £30,000.00

(b) It is hereby certified that the transaction hereby effected does not form part of a larger transaction or series of transactions in respect of which the amount or value or aggregate amount or value of the consideration other than rent exceeds £30,000.00

(c) It is hereby certified that this transaction is exempt from Stamp Duty Land Tax by virtue of the provisions of Section 92 and 92a of the Finance Act 2001 (as amended) [delete if not applicable]

(d) It is hereby certified that there is no Agreement for Lease to which this Lease gives effect

7(a) This section is included to show that sub-clause directly below should be ignored if the premium is more than £30,000.00

(b)The transfer of the lease to you, the new leaseholder, does not form part of a larger transaction or series of transactions.

(c) If this section is present in your lease, the transfer of your property to you from the council will have been exempt from Stamp Duty. If it doesn't appear, Stamp Duty applies as normal.

(d) There is no contract governing the grant of the lease.

8 IN construing this lease regard may be had to the provisions of Part V of and the Sixth Schedule to the Housing Act 1985 as amended and the terms hereof shall be construed so as to be consistent with those provisions

IN WITNESS whereof this deed is executed in manner hereinafter appearing the day and year first before written

8 The lease will comply with both part five of, and the 'sixth schedule' to, the Housing Act 1985.

FIRST SCHEDULE

The flat is granted with the following rights (so far as the Council is able to grant the same) exercisable by the Lessee his agents or licensees at all reasonable times and for all purposes connected with the use of the flat in accordance with the terms of this lease in common with the Council and all others entitled to exercise any such rights and in accordance with any regulations from time to time concerning exercise of the same

- 1** The right of subjacent and lateral support for the flat from other parts of the building
- 2** Full right of way on foot over such parts of the building as afford access to the flat
- 3** Full right of way with or without cars or motor bicycles over the estate roads (if any)
- 4** The free passage and running of water gas or other piped fuel sewage smoke or fumes through the pipes sewers drains vents or passages serving the flat
- 5** The right to the use and maintenance of the cables or other installations serving the flat for the supply of electricity and for the telephone or for the receipt directly or by landline of visual or other wireless transmissions to the flat
- 6** The right to use the lift (if any) in the building serving the flat
- 7** The right to use the refuse chute (if any) serving the flat between the hours 7.30am and 9.00pm only
- 8** The right to place and maintain one properly maintained dustbin in the dustbin area (if any) for that purpose

As the leaseholder, you're granted certain rights in relation to you flat. Provided that the Council is able to reasonably accommodate these, they apply to you as well as anyone authorised to act on your behalf (i.e. your agents or licensees) for any proceeding affecting the flat. Your rights must not conflict with the provisions of this lease or the rights that this lease associates to the council and other affected parties. These rights are subject to change in line with new regulations that may become implemented.

- (1)** You as the leaseholder are entitled to have your rights relating to your flat, supported by the surrounding areas (subjacent and lateral) of your building.
- (2)** Where the building provides for access to your flat on foot, the lease authorises you to have full right of way.
- (3)** You have the full right of way on any estate roads that may or may not be accessible to motor vehicles.
- (4)** In your flat, you're entitled to have unlimited access to running water, gas and other piped and non-piped systems relating to fuel, sewage smoke or fumes. You should also have access to any drain, vent or passage serving the flat at all times.
- (5)** You're also entitled to the use and maintenance of cables, landline telephone services and any other equipment that serves your electricity supply or transmission of wireless communication into the flat.
- (6)** If there is a lift in the building that serves your flat, you're entitled to access.
- (7)** If there's a refuse chute serving your flat, you're entitled to use it between the hours of 7:30am and 9:00pm.
- (8)** You have the right to place and keep a dustbin if there's an area allocated for that purpose, on the condition that it is properly maintained.

9 The right to use the landscaped or garden areas (if any) for the purpose of recreation

10 The right at all reasonable times and upon reasonable notice (save in emergency) to enter other parts of the building for the purpose of complying with the Lessee's obligations hereunder or of repairing maintaining or renewing any easement enjoyed by the Lessee over such other part of the building the Lessee in any such case causing as little disturbance as possible and making good all damage caused

11 The benefit of the restrictions contained in leases of other flats in the building or on the estate granted under the Act or under the Housing Act 1980 so far as intended to and capable of benefiting the flat

PROVIDED ALWAYS that each of the foregoing easements and rights is conditional upon the performance and observance by the Lessee of his obligations under this lease

(9) If there are any landscaped or garden areas relating to your flat, you're entitled access to these for recreational use.

(10) Under reasonable circumstances – such as in the case of emergency – you're entitled to enter other parts of the building (with reasonable time and notice) to comply with your obligations as a leaseholder or to support your rights of easement (i.e. repairing, maintaining or renewing any conditions that may interfere with your right of way). Any action taken on behalf of this right should be consistent with the terms of the lease and should cause as little disturbance as possible. Any damage that may result must be dealt with as well.

You have the right to expect that the other flats in your building or estate will observe any restrictions contained in the lease for the benefit of other leaseholders. These specifically appear under the Act or under the Housing Act 1980.

These above-mentioned rights and easements (right of way) apply to you on the condition that you keep to your obligations as a leaseholder as shown in the lease.

SECOND SCHEDULE

Easements and Rights Reserved

The following easements and rights are reserved from the term hereby granted for the benefit of the Council and the tenants or occupiers of the parts of the building to which the same are appurtenant

1 The right of subjacent and lateral support provided by the flat for other parts of the building

2 The free passage and running of water gas or other piped fuel sewage smoke or fumes through the pipes sewers drains vents or passages within the flat but serving other parts of the building

3 The right to the use and maintenance of cables or other installations for the supply of electricity and for the telephone or for the receipt directly or by landline of visual or other wireless transmissions so far as such cables or other installations are within the flat but serve other parts of the building

4 All other easements quasi-easements rights and privileges now appurtenant to any other part of the building and enjoyed over or in respect of the flat

The council also has certain rights that you as a leaseholder must keep to. Your duties in respect of the council's rights are as follows:

1 Though you own the lease on your flat, it continues to form a supportive element in the building that surrounds it. You must not, therefore, make any structural alterations to the walls or floors of the flat.

2 Any pipe that passes through your flat, but serves other parts of the building, must continue to be allowed to do so. You must not alter or divert these pipes in any way.

3 As above, any cables or other installations that pass through your flat, but serve other parts of the building, must continue to be allowed to do so. You must not alter or divert these pipes in any way.

4 Any rights that apply to any other part of the building relating to the flat must also be followed.

5 The right for the Council its officers agents or contractors and all persons authorised by the Council and the tenants and owners and occupiers of other parts of the building and their licensees at all reasonable times upon reasonable notice (save in emergency) to enter the flat for the purposes

(i) of complying with their respective obligations hereunder or under any lease or underlease of any other part of the building

(ii) of repairing maintaining or renewing any easement enjoyed by such tenant over the flat in all and every such case causing as little disturbance as possible and making good all damage caused

6 All other (if any) rights reserved to the Council by or under statute or otherwise

5 With reasonable written notice (except in emergencies) you must allow all persons authorized by the council to have access to your flat for the following purposes:

(i) to comply with the obligations outlined in this lease.

(ii) to repair or maintain any part of the flat or its contents if these repairs relate to the rights of any other tenant in the building.

The council or its agents must take care not to disturb your enjoyment of the flat any more than is necessary and make good all damage caused.

All other rights are reserved by the council.

THIRD SCHEDULE

PART 1: Annual Service Charge

1(1) In this Schedule 'year' means a year beginning on 1st April and ending on 31st March

(2) Time shall not be of the essence for service of any notice under this Schedule

2(1) Before the commencement of each year (except the year in which this lease is granted) the Council shall make a reasonable estimate of the amount which will be payable by the Lessee by way of Service Charge (as hereinafter defined) in that year and shall notify the Lessee of that estimate

(2) The Lessee shall pay to the Council in advance on account of Service Charge the amount of such estimate by equal payments on 1st April 1st July 1st October and 1st January in each year (hereinafter referred to as 'the payment days')

3 In respect of the year in which this lease is granted

(1) An estimate of the amount of the Service Charge shall be made prior to the grant hereof and that amount shall be apportioned by time for the portion of a year from the date hereof to the end of that year

(2) The Lessee shall pay:

(i) on the date hereof:

(a) firstly a proportion of such apportioned amount for the period from the date hereof to the next payment day; and

Any use of the term 'year' under this section refers to the financial year, which is the period beginning on April 1st and ending on March 31st.

For the service of any notice, relating to the annual service charge under this schedule, time will not be treated as an essential factor.

For every year except the first year of this lease, the council will produce a reasonable estimate for the forthcoming annual service costs and will notify you of these figures. As the leaseholder, the Service Charge (defined below) will be payable by you during that year.

Service Charge estimates will be paid in advance by you the leaseholder, the amount of which will be divided between 4 equal payments on the following dates (referred to in the lease as 'payment days'): April 1st, July 1st, October 1st and January 1st.

For the year that your lease takes effect: With regard to the year in which the lease begins, a Service Charge estimate will be made before the grant of the lease and will be adjusted to show the part of the year that remains.

Payable by you the leaseholder is:

By the following date:

The first payment for your share of the Service Charge (the apportioned amount) will be the amount for the period from the first day of the lease to the next payment day; and

(b) the cost of any works of repair renewal and improvement (including redecoration to the Building or Estate) being itemised repairs included in Appendix B of the Offer Notice in respect of the Flat served pursuant to Section 125 of the Housing Act 1985 (as amended by Section 4 of the Housing

and Planning Act 1986) and so reflected in the valuation of the Flat which in the Landlord's opinion were not within its obligations under the former secure tenancy and necessary for the proper use and enjoyment of the Flat for the period

prior to the date hereof and being works undertaken by the Landlord between the date the Flat was valued and the date hereof; and

(ii) on each of the remaining payment days in that year an equal part of the remainder of such apportioned amount

4(1) As soon as practicable after the end of each year the Council shall ascertain the Service Charge payable for that year and shall notify the Lessee of the amount thereof

(2) Such notice shall contain or be accompanied by a summary of the costs incurred by the Council of the kinds referred to in paragraph 7 of this Schedule and state the balance (if any) due under paragraph 5 of this Schedule

5(1) If the Service Charge for the year (or in respect of the first year hereof the apportioned part thereof) exceeds the amount paid in advance under paragraph 2 or 3 of this Schedule the Lessee shall pay the balance thereof to the Council within one month of service of the said notice

(2) If the amount so paid in advance by the Lessee exceeds the Service Charge for the year (or the apportioned part thereof for the first year hereof) the balance shall be credited against the next advance payment or payments due from the Lessee (or if this lease has then determined be repaid to the Lessee)

You're responsible for the cost of any itemised repairs that take place during the period between the date the Flat was valued and the date the lease takes effect including repair, renewal and improvement (as well as redecoration to the Building or Estate). The work referred to here is represented under Appendix B of the Offer Notice and refers to your flat in accordance with Section 125 of the Housing Act 1985 (as amended by Section 4 of the Housing and Planning Act). The work mentioned here must have been considered avoidable prior to the process of buying the flat (the valuation of the flat), yet necessary for the proper use and enjoyment of the flat prior to the date of the lease.

The apportioned amount payable by you the leaseholder for the initial year of the lease will be divided equally between the remaining payment days in that year.

A notice of the exact amounts payable by you, the leaseholder, for Service Charges will be provided at the end of each year. These are known as the actual costs for your council services and should be made available as soon as possible after the year-end.

Included with the notice of actual charges will be a summary of the costs incurred (these will correspond with paragraph 7 below). Also, if there is a balance on your Service Charge account, you will be informed at this time.

If the actual costs for the annual services (or the apportioned amount where applicable) work out to be more than the amount paid in advance for the Service Charge estimates (referred to under paragraph 2 or 3 of this schedule), you the leaseholder are required to pay the balance within one month of the notice.

If the actual costs for the annual services (or the apportioned amount where applicable) work out to be less than the amount paid in advance for the Service Charge estimates, the balance will be credited to the account.

6(1) The Service Charge payable by the Lessee shall be a fair proportion of the costs and expenses set out in paragraph 7 of this Schedule incurred in the year

(2) The Council may adopt any reasonable method of ascertaining the said proportion and may adopt different methods in relation to different items of costs and expenses

7 The said costs and expenses are all costs and expenses of or incidental to:

(1) The carrying out of all works required by sub-clause (2) to (4) inclusive of Clause 4 of this lease

(2) Providing the services hereinbefore defined

(3) Insurance under sub-clause (6) of Clause 4 of this lease

(4) All rates taxes duties charges assessments and outgoings whatsoever assessed charged or imposed upon or in respect of the building or the estate and not the liability of the Lessee or any other tenant or occupier thereof

(5) Any insurance against liability to the Lessee or others in respect of the building or the estate taken out by the Council or against the cost of making good any structural defect in the building

(6) The maintenance and management of the building and the estate (but not the maintenance of any other building comprised in the estate)

(7) The employment of any managing agents appointed by the Council in respect of the building or the estate or any part thereof PROVIDED that if no managing agents are so employed then the Council may add the sum of 10% to any of the above items for administration

(8) All value added or other tax payable in respect of any of the costs and expenses mentioned in this paragraph

(9) The installation (by way of improvement) of:

(i) double-glazed windows (including associated frames and sills) in replacement of any or all of the existing windows of the flat and of the other flats and premises in the building and in common areas of the building; and

(ii) an entry-phone system (meaning a telephonic device at the entrance of the building allowing communication between the occupiers of the flat and visitors to the building and the release by remote control from the flat of a lock on a door at the entrance of the building or any installation serving a similar purpose) should the Council in its absolute discretion (and without being under any obligation) decide to install the same or either of them

8 The summary of costs referred to in paragraph 4 of this Schedule shall contain an explanation of the manner in which the proportion of those costs apportioned to the flat under paragraph 6 of this Schedule has been calculated

The amount that you are required to pay towards Service Charges must be a fair proportion of the costs and expenses incurred for the year (as set out in paragraph 7 of this schedule).

Any reasonable formula used by the council to calculate your Service Charge payments is permitted and may differ between the related costs and expenses.

The 'costs and expenses', which you are liable to make a Service Charge contribution towards, are defined below. As a leaseholder, you must pay a contribution towards:

(1) The carrying out of the works detailed in sub-clauses 2, 3 and 4 above.

(2) The provision of the services defined above (heating and hot water etc).

(3) Insurance under sub-clause (6) of clause 4 (see above).

(4) Rates (e.g. Council Tax) charges assessments and outgoings e.g telephone bills and other bills for services not provided by the council that serve your flat) relating to your property.

(5) Any insurance that the council has taken out on the building or the estate to insure against the costs of making good any structural defect in the building.

(6) The management of the building and the estate, excluding any other building in the estate.

(7) The employment of a Tenant Management Organisation (TMO) to manage the building or estate. This only applies on condition that, if no TMO is employed, the council may add 10% to the total cost of your service charge to pay for the management of the estate. This 10% pays for the management of your leasehold property.

(8) VAT incurred on any of the above costs and expenses

(9) The installation of double-glazed windows and/or door entry systems. These works are undertaken (in the case of double-glazed windows) to reduce noise and increase the heat-efficiency of your property and (in the case of door-entry systems) to increase the security of your property.

However, the inclusion of the above in this list of items that may form part of your Service Charge in no way obliges the council to install the above.

The summary of costs referred to above will contain an explanation of the way that the costs have been apportioned to your property.

The Common Seal of THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF SOUTHWARK was hereunto affixed in the presence of:

Authorised Signatory:
Signed as a Deed by the Lessee in the presence of:
Witness Name:
Witness Address:
Witness Occupation:
Witness Signature:
Signed as a Deed by the Lessee in the presence of:
Witness Name:
Witness Address:
Witness Occupation:
Witness Signature: