DATED **2020**

UNDERLEASE BY REFERENCE TO SUPERIOR LEASE

relating to

FLAT 41 ALLEN STREET SHEFFIELD S3 7AW

between

LONDONIST DMC LTD

and

ALLEN STREET MANAGEMENT COMPANY LIMITED

DKLM SOLICITORS
City House
3 Cranwood Street
London EC1V 9PE
Tel: 0207 549 7888
Fax: 0207 549 7889
www.dklm.co.uk

THIS LEASE is dated 2020

PARTIES

(1) **LONDONIST DMC LTD** incorporated and registered in England and Wales with company number 08392889 whose registered office is at 5 Great James Street London WC1N 3DB (**Landlord**).

(2) **ALLEN STREET MANAGEMENT COMPANY LIMITED** incorporated and registered in England and Wales with company number 11728002 whose registered office is at Lauren House 37a Wakefield Road, Tandem, Huddersfield HD5 0AN (**Tenant**).

BACKGROUND

A. The Landlord is entitled to possession of the Property under the terms of a Superior Lease (a copy of which has been given to the Tenant).

B. The Landlord has agreed to grant an underlease of the Property to the Tenant on the terms set out in this lease.

AGREED TERMS

1. INTERPRETATION

1.1 The definitions and rules of interpretation set out in this clause apply to this lease.

Annual Rent: £7,500.00

Approved Letting Agent: means Student Facilities Management or such other letting agents approved by the Landlord or his successors in title (acting reasonably)

Balancing Payment: a payment (if any) due to the Landlord in accordance with the provisions in clause 19 of this lease.

Contractual Term: a term of 5 years beginning on, and including the date hereof and ending on, and including 2025

Incorporated Terms: all of the terms, requirements, covenants and conditions contained in the Superior Lease except to the extent that they are inconsistent with the clauses written in this lease and as specifically varied by clause 3

(a) including:

(i) the definitions and rules of interpretation in the Superior Lease;

(ii) the obligations to be observed by the Landlord (as tenant under the Superior Lease) except those specifically excluded in part (b) below;

(iii) the agreements and declarations contained in the Superior Lease;

(iv) the rights granted and reserved by the Superior Lease (including the right of re-entry and forfeiture); and

(v) the third party rights, restrictions and covenants affecting the Property.

(b) but excluding:

(i) the term granted by the Superior Lease;

(ii) the obligations on the Landlord (as tenant under the Superior Lease) to pay to the Superior Landlord the Superior Rent, and Maintenance Charge reserved by the Superior Lease;

(iii) the Superior Landlord's covenants; and

(iv) any other terms of the Superior Lease which are specifically excluded by the terms of this lease or substituted by the terms of this lease.

Landlord's Conveyancer: Ronal Fletcher Baker LLP of 111 Piccadilly Manchester M1 2HY (ref: Rosie McGarry)

Maintenance Charge: the maintenance charge as defined in the Superior Lease.

Permitted Use: the use of the Property permitted by the Superior Lease

Property: known as flat 41 Allen Street Sheffield S3 7AW more particularly described in the Superior Lease.

Rent Commencement Date: the Term Commencement Date

Rent Payment Dates: the end of each academic term with a Balancing Payment (if any) made at the end of the academic year in each year of the Contractual Term.

Superior Landlord: the landlord for the time being of the Superior Lease.

Superior Landlord's Covenants: the obligations in the Superior Lease to be observed by the Superior Landlord.

Superior Lease: the lease by virtue of which the Landlord holds the Property, which is dated 2020 and made between Fraser Morgan (Allen Street) Limited (1) and (2) Londonist DMC Ltd and Nurtur Student Living Ltd (3) and any documents made supplemental to it.

Superior Rent: the annual rents payable by the Landlord (as tenant under the Superior Lease) under paragraph 1 of the Third Schedule of the Superior Lease.

Tenant's Covenants: the obligations in this lease, which include the obligations contained in the Incorporated Terms, to be observed by the Tenant.

Tenant's Conveyancer: DKLM LLP of City House, 3 Cranwood Street London EC1V 9PE (Ref: Mohi Uddin)

VAT: value added tax chargeable under the Value Added Tax Act 1994 or any similar replacement or additional tax.

1.2 For the purposes of this lease only, references to the landlord and tenant in the Superior Lease shall be read as references to the Landlord and Tenant in this lease and matters in the Superior Lease requiring the consent or approval of the Superior Landlord, shall also require the consent of the Landlord on the same terms.

2. GRANT

2.1 The Landlord lets with full title guarantee the Property to the Tenant for the Contractual Term at the rents reserved.

2.2 The matters excepted and reserved by the Superior Lease for the benefit of the Superior Landlord and the Management Company are excepted and reserved for the benefit of the Landlord and the Superior Landlord and the Management Company by this lease.

2.3 This grant is made on the terms of this lease which include the Incorporated Terms as if they were set out in full in this lease.

2.4 The Tenant covenants to comply with the Tenant's Covenants.

2.5 The grant is made with the Tenant paying the following as rent to the Landlord:

(a) the Annual Rent; and

(b) all interest payable under this lease.

3. THE SUPERIOR LEASE

For the purposes of this lease only, the terms of the Superior Lease shall be varied as set out in the Schedule and this lease shall be read and construed accordingly.

4. THE ANNUAL RENT

4.1 The Tenant shall pay the Annual Rent by three equal instalments and a Balancing Payment (if any) in **arrears** on the Rent Payment Dates. The payments shall be made by banker's standing order or by any other method that the Landlord requires at any time by giving notice to the Tenant.

4.2 The first instalment of the Annual Rent shall be made on the first Rent Payment Date following Completion and shall be the proportion, calculated on a daily basis, in respect of the period from the date hereof until the day before the next Rent Payment Date.

5. MAINTENANCE CHARGE

During the Contractual Term of this Lease only the Tenant shall pay the Maintenance Charge.

6. RENT DUE UNDER THE SUPERIOR LEASE

The Landlord shall pay the rent due under the Superior Lease, as defined in Clause 1.1 of the Superior Lease.

7. VAT

7.1 All sums payable by the Tenant, whether reserved as rent under this lease or otherwise, are exclusive of any VAT that may be chargeable. The Tenant shall pay VAT in respect of all taxable supplies made to it in

connection with this lease on the due date for making any payment or, if earlier, the date on which that supply is made for VAT purposes.

7.2 Every obligation on the Tenant under or in connection with this lease to pay, refund or indemnify the Landlord or any other person in respect of any money or against any liability includes an obligation to pay, refund or indemnify that person against any VAT, or an amount equal to any VAT, that may be chargeable in respect of that sum.

8. CONSENTS

Where the consent or approval of the Landlord is required to any act or thing under this lease the following shall apply:

8.1 if it is a requirement of the Superior Lease that the consent or approval of the Superior Landlord is required to the act or thing it shall be a condition precedent that the consent of the Superior Landlord is also obtained to the act or thing; and

8.2 the Landlord shall, at the cost of the Tenant, use all reasonable endeavours to obtain the consent or approval of the Superior Landlord where this is a requirement of the Superior Lease and where the Landlord is under an obligation not to unreasonably withhold its consent to the act or thing for which consent or approval is sought; and

8.3 in this lease references to the consent or approval of the Superior Landlord shall include references to the consent or approval of any other party from whom the Superior Landlord is obliged to obtain consent or approval.

9. ALIENATION

9.1 The Tenant may assign or underlet the whole Property.

9.2 The Landlord hereby consents to the Tenant's right of assignment and under letting under the provisions of this lease.

10. RETURNING THE PROPERTY TO THE LANDLORD

At the end of the Contractual Term, the Tenant shall return the Property to the Landlord in the condition required by this lease.

11. USE

The Tenant shall not use the Property for any purpose other than the Permitted Use.

12. INDEMNITY

The Tenant shall keep the Landlord indemnified against all expenses, costs, claims, damage and loss (including any diminution in the value of the Landlord's interest in any neighbouring property) arising from any breach of the Tenant's Covenants, or any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any other person on the Property or any areas over which the Tenant has rights under this lease with the actual or implied authority of any of them.

13. LANDLORD'S COVENANTS

13.1 The Landlord covenants with the Tenant, that the Tenant shall have quiet enjoyment of the Property without any interruption by the Landlord or any person claiming under the Landlord except as otherwise permitted by this lease.

13.2 Subject to the Tenant paying the rents reserved by this lease and observing the Tenant's Covenants the Landlord shall pay the rents reserved by the Superior Lease.

13.3 At the request and cost of the Tenant on a full indemnity basis the Landlord shall use all reasonable endeavours to procure that the Superior Landlord complies with the Superior Landlord's Covenants and, if reasonable, the Landlord may require from the Tenant reasonable security to be paid in advance for anticipated costs.

14. LIABILITY

14.1 At any time when the Landlord or the Tenant is more than one person then in each case those persons shall be jointly and severally liable for their respective obligations arising by virtue of this lease. The Landlord may release or compromise the liability of any one of those persons or grant any time or concession to any one of them without affecting the liability of any other of them.

14.2 The obligations of the Tenant arising by virtue of this lease are owed to the Landlord and the obligations of the Landlord are owed to the Tenant.

14.3 In any case where the facts are or should reasonably be known to the Tenant, the Landlord shall not be liable to the Tenant for any failure of the Landlord to perform any landlord covenant in this lease unless and until the Tenant has given the Landlord notice of the facts that give rise to the failure and the Landlord has not remedied the failure within a reasonable time.

15. ENTIRE AGREEMENT AND EXCLUSION OF REPRESENTATIONS

15.1 This deed constitutes the entire agreement and understanding of the parties relating to the transaction contemplated by the grant of this deed and supersedes any previous agreement between the parties relating to the transaction.

15.2 The Tenant acknowledges that in entering into this lease it neither relied on, nor shall have any remedy in respect of, any statement or representation made by or on behalf of the Landlord.

15.3 Nothing in this lease constitutes or shall constitute a representation or warranty that the Property or any common parts over which the Tenant has rights under this lease may lawfully be used for any purpose allowed by this lease.

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

16. GOVERNING LAW AND JURISDICTION

16.1 This lease and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

16.2 The parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this lease or its subject matter or formation (including non-contractual disputes or claims).

17. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not a party to this lease shall not have any rights under or in connection with it by virtue of the Contracts (Rights of Third Parties) Act 1999

18. LANDLORD AND TENANT (COVENANTS) ACT 1995

This lease creates a new tenancy for the purposes of the Landlord and Tenant (Covenants) Act 1995.

19. BALANCING PAYMENT

19.1 The Tenant hereby agrees and undertakes to the Landlord so that this clause shall remain in full force and effect notwithstanding completion of this Lease that throughout the Contractual Term the Tenant will account to the Landlord for any shortfall in the rent received to ensure that during the Contractual Term the actual rent from the Property received by the Tenant each year shall not be less than the Annual Rent

19.2 The Tenant is to use reasonable endeavours to procure that the Approved Letting Agent will act in accordance with standards of good estate management.

19.3 The Tenant shall not be liable to make a payment under this clause where the Landlord does not use the services of the Approved Letting Agent.

19.4 The Landlord shall enter into such form of management agreement as is reasonably required by the Approved Letting Agent.

19.5 Within a 3 calendar months or such other reasonable time following completion of this Lease, the Tenant will as security for these payments to the Landlord and other tenants during the Contractual Term, the Tenant will deposit on and release the capital sum of £1,500,000 in cleared funds with the Tenant's Conveyancer in a designated stakeholder account ("the Fund") upon receipt of the Fund the Tenant's Conveyancer shall provide written confirmation to the Landlord's Conveyancer. To such extent that the Tenant is unable to pay the Annual Rent to the Landlord, the Tenant's Conveyancer is irrevocably instructed to make direct payment from the Fund to the Tenant within 20 working days following the end of each academic year of the term of the Underlease in such amount as shall be notified to them by the Approved Letting Agent ("the Shortfall"). The Tenant irrevocably authorises the Tenant's Conveyancer to forthwith release such monies from the Fund as may be necessary to pay any

Shortfall or such other sums required to ensure that the actual rent from the Property received by the Landlord shall not be less than the Annual Rent which is payable to the Landlord.

19.6 At the end of every academic year the sum of £300,000.00, less the aggregate of any sums distributed to Landlords under clause 19.5 of each underlease of the Property, shall be payable out of the Fund to the Tenant or such other company as the Tenant may nominate.

19.7 The Landlord may re-enter the Property (or any part of the Property in the name of the whole) at any time after any of the following occurs:

(a) any Annual Rent under this lease is wholly or partly unpaid 21 days after becoming payable; or

(b) any breach of any of the Tenant Covenants.

19.8 If the Landlord re-enters the Property (or any part of the Property in the name of the whole) pursuant to this clause, this lease shall immediately end, but without prejudice to any right or remedy of the Landlord or the Management Company in respect of any breach of covenant by the Tenant.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Schedule Variations to the Superior Lease

None

Executed as a deed by
LONDONIST DMC LTD
acting by

.....
Signature of director

a director In the presence of:

.....
Signature of Witness

Name of Witness: SADIK ISCER

Address of Witness: FLAT 3, ALDWICK COURT,
SONIA GARDENS, LONDON, N12 8BB

Executed as a deed by
ALLEN STREET MANAGEMENT COMPANY LIMITED
acting by

.....
Signature of director

a director In the presence of:

.....
Signature of Witness

Name of Witness:

Address of Witness: