

Our Ref: SB/mjw/GndFloorChichesterHouse

26<sup>th</sup> August 2020

Rochdale Borough Council (RBC)  
No 1 Riverside  
Smith Street  
Rochdale  
OL16 1XU

Subject to Lease/Agreement

Dear Michael,

**Re: Ground Floor Chichester House, Milnrow Road, Rochdale.**

Further to your earlier inspections and our subsequent discussions in respect of my client's property at the above, I now have pleasure in setting down below the basic Heads of Terms upon which my clients would be prepared to consider granting a new lease to you, being along the lines we have already discussed.

1. Demise

All that property known as Ground Floor, Chichester House, Milnrow Road, Rochdale together with common shared ground floor entrance. The tenant will also have the use of 50% of the car park.

2. Landlord & Tenant

Landlord: The Self invested personal pension of Mr Andrew Jenner.

Tenant: Rochdale Borough Council (RBC). No 1 Riverside, Smith Street, Rochdale. OL16 1XU.

3. Term

A new tenant's internal repairing and insuring lease from a start date to be agreed (1<sup>st</sup> November 2020 preferably) for a term of 5 years.

The ingoing tenant is to provide a schedule of condition on completion prior to the completion of the lease which is to be agreed with the landlord's surveyor.

4. Rent

The rent in years 1-3 will be £14,000 per annum, exclusive of rates, payable quarterly in advance. The rent in years 4-5 will be £15,000 per annum, exclusive of rates, payable quarterly in advance.

5. Incentive

The tenant will have the benefit of a 3-month rent free only period by way of a landlord contribution to the fit out. During this period, the tenant will responsible for the insurance, business rates, utilities, and all other outgoings

6. Alienation

The lease will have provision for the tenant to assign the whole of the property, to a suitable approved tenant, and use, with equivalent or better financial standing, subject to the Landlord's prior written consent having been obtained. Such consent is not to be unreasonably withheld or delayed.

There will be no provision for sub-letting or sharing.

7. Use

It is understood you intend to use the property for office use. It is the tenant's responsibility to confirm with the local authority as your intended use and any necessary change of use if required. Your Solicitor will need to confirm the exact user clause in due course.

8. Insurance

The Landlord insures the property (not the contents) with the premium being recouped from the tenant on an annual basis.

9. Legal Costs

Each party to be responsible for their own legal costs incurred in the transaction.

10. Solicitors

Landlord: Mr Ian Mann of Sharp Cross and Mann, 13 York Street, Heywood. OL10 4NN.  
TEL: 01706 623513 Email: [im@sharpcrossandmann.co.uk](mailto:im@sharpcrossandmann.co.uk).

Tenant: Rochdale Council legal dept. (Michael can you insert contact details please)

11. Service Charge

There will be provision for a service charge within the lease to cover common internal areas and the external maintenance of the property.

12. VAT

We have been advised that the rent will NOT be subject to VAT.

13. Rates

The ingoing tenant will be responsible for the payment of the property rates.

14. Landlord's Works

The Landlord to reinstate the second WC and hand basin.  
Remove and make good any electrical connections in the new WC  
Reinstate hot water to both hand basins in the WC's  
Re-decorate WC's and remove the air conditioning unit ready to be refitted by the Tenant.

15. Tenant's Works

The tenant is to provide a schedule of works for the landlord approval prior to commencement.

16. Subject to Contract / Lease

The terms are set out subject to contract/lease agreement.  
The above Heads of Terms are not intended to be contractual in their effect.

Would you please confirm acceptance of these terms as soon as possible so we can draw up the lease.

If there is anything at all you want to discuss or clarify with me please do not hesitate to give me a call.

Yours sincerely

**Marc Wright.**  
**BARTON KENDAL COMMERCIAL**