



DATE

Dear [NAME OF TENANT]

FROM: Bradley Big Local Community Land Trust Limited

TO: [NAME OF TENANT]

(A) Bradley Big Local Community Land Trust Limited intends to grant [NAME OF TENANT] a lease on the following heads of terms. These heads of terms do not create any legally binding obligations. They are subject to contract, completion of formally executed legal documentation and approval of the board of Bradley Big Local Community Land Trust Limited.

(B) These heads of terms are confidential to the intended parties to the proposed lease and to their professional advisors.

(C) The proposed lease may contain further terms as Bradley Big Local Community Land Trust Limited may require, including additional terms on matters that are covered in this document.

Agreed terms

1. Landlord

Bradley Big Local Community Land Trust Limited

Country of incorporation/registration: England and Wales

Company number: RS007552

Registered office address: Hodge House Community Centre, Regent Street, Nelson, BB9 8LJ

2. Tenant

[NAME]

[Address]

3. Property

- 3.1 (4, 6, 8 or 10) Beech Street Nelson BB9 9UA. A plan is attached showing the property edged in red.

4. Term

4.1 The lease will be for a term of 999 years beginning on the date of completion of the Lease

5. Rent

5.1 The rent will be fixed at £100.00 per year exclusive of VAT, rates, insurance premiums and all other outgoings.

6. Qualifying Purchaser

6.1 The tenant must be a Qualifying Purchaser as defined in the Local Connection and Sales Policy attached.

6.2 Only the first buyer will be subject to the Qualifying Purchaser criteria.

7. Discount Market Sale

7.1 A Qualifying Purchaser will be given a 20% discount on the market value of the property.

7.2 If the BBL Community Land Trust Limited do not wish to exercise their right of pre-emption as detailed in clause 15 the property can be sold on the open market but it must be sold with the 20% discount that was applied at the time of the tenant's purchase.

8. Insurance

8.1 The Tenant will insure the property

9. Use

9.1 The property can only be used as a residential dwelling for the occupation of one family only

10. Assignments and underleases

10.1 On assignment of the Lease a 20% discount must be given to the Purchaser

10.2 The tenant and any future tenant cannot underlet the property.

11. Repair

11.1 The tenant will keep the property and garden area in a good and substantial repair.

12. Alterations

The tenant cannot make structural or external alterations to the property without the landlord's prior written consent, which cannot be unreasonably withheld.

13. Deed of Covenant

The tenant will be obliged to ensure that each subsequent Buyer will enter into a Deed of Covenant with the Freeholder (BBL CLT) to comply with the terms of the Lease.

14. Forfeiture of the Lease

14.1 BBL Community Land Trust Limited has the right to take action for the recovery of unpaid rent and/or to remedy any other breach of the covenants contained in the Lease

14.2 Recovery and/or remedial action includes, but is not limited to, applications to the small claims court, tribunals, county court or mediation.

14.4 Action for forfeiture will be taken where unpaid rent reaches the minimum levels required for service of a notice of seeking possession under section 146 of the Law of Property Act 1925 and other recovery actions have been unsuccessful

14.4 Where the property is mortgaged and there are arrears of rent and BBL Community Land Trust Limited intends to serve notice of seeking possession, the lender will be contacted and given opportunity to pay the arrears within an agreed time period before notice is served on the tenant.

15. Right of Pre-Emption

15.1 BBL Community Land Trust Limited will have a right of first refusal when the tenant decides they want to sell the property.

15.2 BBL Community Land Trust will pay the seller the market value of the property at the time of resale less the 20% given to the original tenant.

15.3 This right of pre-emption will pass on each re-sale.

15.4 BBL Community Land Trust Limited does **not have** to exercise their right of pre-emption.

15.5 BBL Community Land Trust Limited has three months to confirm if they wish to exercise their right of pre-emption. At the end of the three months if no notice has been served by BBL Community Land Trust Limited expressing their intention to exercise their right of pre-emption then the tenant will be free to sell the property on the open market (subject to 10.1 above).

16. Mortgagees In Possession

16.1 where the lease is assigned to a Funder the provisions of clauses 10.1 and 15 (15.1 to 15.5 inclusive) shall not apply.

17. Costs

Each party is responsible for its own legal costs in connection with this transaction

18. Conveyancers

18.1 The landlord's conveyancer is [NAME AND ADDRESS], for the attention of [NAME].

18.2 The tenant's conveyancer is [NAME AND ADDRESS], for the attention of [NAME].

Signed by

For and on behalf of [LANDLORD COMPANY]

Signed by

For and on behalf of [TENANT]