

THE LEASE OF YOUR APARTMENT

The Lease is an important legal document which sets out the rights and obligations of McCarthy & Stone Retirement Lifestyles Limited as Landlord and you as the owner or resident. The Lease aims to set out the parameters for good neighbourly living. **We believe that it is very important that you obtain detailed legal advice about the Lease from your solicitor.** You will be given a Purchasers Information Pack to keep by your solicitor which goes into more detail but some of the main points you should think about now are:

- You will have a long lease of the apartment. A Lease is currently the most common way of dealing with an apartment in a building containing a number of apartments where there are various mutual rights and obligations.
- The Lease contains a plan of your apartment. There is a more detailed description of what is included in your leasehold title in the First Schedule to the Lease. The plan in the Lease identifies with a green line the extent of garden and grounds over which you have rights as a resident.
- A rent (called the ground rent) is payable to the Landlord half yearly in advance. The amount of the ground rent (and service charge) depends on the number of bedrooms in your apartment and is set out in the Lease. The ground rent is increased in line with the Retail Prices index every 15 years.
- There is also a service charge payable. The estimated amount of this for the first year is detailed in the service charge budget you will be given. It covers, amongst other items, the cost of maintenance of the building and gardens, window cleaning and water charges. It also covers insurance of the building (but not the contents of your apartment). Full details of how the service charge is calculated are in the Fourth Schedule of the Lease.
- There is a contingency fund to collect money to cover major items of expenditure such as substantial repairs to the roof or structure of the building which do not arise regularly. The object of this is to balance out annual payments. It is partly funded by a contribution included in the annual service charge and partly by a payment of 1% of the sale price (or open market value) of your apartment when it is sold or otherwise disposed of. The 1% charge on disposal reduces the amount which would otherwise be payable every year. The terms for this payment are set out in more detail in the Fifth Schedule to the Lease. All money in the contingency fund and service charge is held in trust for the residents.
- The Second Schedule to the Lease gives details of the various communal facilities and areas in and around the building (such as gardens, access road, residents lounge, guest suite, laundry, lifts and corridors and the like) over which you, and the other residents, are granted rights and the terms on which those rights may be exercised.
- The Fifth Schedule contains the covenants (promises) you make to the Landlord such as the need to pay rent and service charge and to look after your apartment. These need to be looked at in conjunction with the regulations in the Seventh Schedule.
- Please note that there are minimum age limits for occupiers (but not for owners) of the apartments.
- The Sixth Schedule contains the covenants made by the Landlord. These include obligations to repair, maintain and insure the main building and the grounds.

C O N T E N T S

CLAUSE OR SCHEDULE

Definitions

2.0 Interpretation

3.1 The Demise

3.2 Matters to which the demise is subject

3.3 The first rental payment

3.4 The first service charge payment

3.5 The Tenant's covenants

- The Fifth and Seventh Schedules

3.6 The Landlord's covenants

- The Sixth Schedule

3.7 Exclusion of third party rights

THE FIRST SCHEDULE

- Detailed description of the extent of the premises

THE SECOND SCHEDULE

Part I

- Rights included in the demise
e.g. rights of way, support,
services, etc.

Part II

- General provisos
e.g. as to forfeiture, the
liability of the Landlord
in respect of the Services etc.

Part III

- Matters reserved for Landlord
and others e.g. as to Service
Media in the Premises etc.

THE THIRD SCHEDULE

- Provisions for the review of
rent after the first fifteen years and subsequent
fifteen year periods

THE FOURTH SCHEDULE

- Provisions for the calculation
and collection of the service
charge & contingency fee

THE FIFTH SCHEDULE

- The Tenant's covenants

1. To pay the Rent and service charge
2. To pay rates/taxes
3. To repair
4. To decorate
5. To inspect and report defects
6. As to alterations
7. Access by the Landlord
8. Access by other parties
9. Repair of common parts
10. As to assignment, underletting etc. and the fees then payable
11. Fees on forfeiture
12. Fees on recovery of service charge or rent
13. To comply with notices etc.
14. To comply with acts, bye-laws etc.
15. To yield up the Premises
16. Repair for the benefit of the Building
17. To perform covenants etc. on the title
18. Interest on late payments

THE SIXTH SCHEDULE

- The Landlord's covenants

1. To impose on other tenants similar covenants
2. Maintenance and decoration of the structure and common parts
3. To keep common parts clean, lighted etc.
4. To pay rates on the common parts
5. To insure
6. To clean the windows
7. To provide an estate manager and emergency call system
8. To provide or procure the provision by suitable contractors of domestic assistance
9. To provide or procure the provision by suitable contractors of
 - (i) meals and refreshments

- (ii) additional domestic assistance and domiciliary care
- 10. Not to grant leases to persons who are not qualifying persons
- 11. As to quiet enjoyment
- 12. To enforce covenants in other leases
- 13. To promptly give certificate

THE SEVENTH SCHEDULE

- Regulations to be observed by the Tenant

- 1. Occupation by Qualifying Person
- 2. To observe Residency Agreement
- 3. Nuisance
- 4. User
- 5. Unlawful purposes
- 6. Noise and pets
- 7. Floor coverings
- 8. Obstruction of common areas
- 9. Car parking
- 10. Mobility Scooters
- 11. Patios and balconies
- 12. Laundry
- 13. Advertisements
- 14. Radio and TV aerials
- 15. Suppression of electrical appliances
- 16. Blockage of pipes
- 17. Domestic refuse
- 18. Prohibition on external decoration
- 19. Not to remove security door chain
- 20. Not to vitiate insurance
- 21. Not to alter service media
- 22. Structural alterations
- 23. Overloading floors

- 24. Prohibited substances and goods
- 25. To treat Landlord's employees with respect
- 26.. Further regulations

THE EIGHTH SCHEDULE

- Details of Rent & Fractional Parts

THE NINTH SCHEDULE

- Residency Agreement