

T H I S A G R E E M E N T is made the

11th

day of

March.

1987 B E T W E E N M A X I M H O M E S L I M I T E D whose registered office is at Maxim House, 692 Bristol Road South Birmingham West Midlands of the first part (hereinafter called "Maxim") J E F F E R I E S M E W S M A N A G E M E N T C O M P A N Y L I M I T E D whose registered office is situate at P.O. Box 74 Princes Street Swindon Wiltshire (hereinafter called "the Landlord") which expression shall where the context so admits include the Landlord's successors in title) of the second part and H O L D I N G & M A N A G E M E N T (S O L I T A I R E) L I M I T E D whose Registered Office is at Clinton House High Street Coleshill Birmingham B46 3BP (hereinafter called "the Company" which expression shall where the context so admits include the assigns of the Company) of the third part

PREAMBLE:

(A) Maxim is the estate owner under Title Number WT 55280 of the freehold property known for development purposes as Jefferies Mews Marlborough Road Coate Water Swindon Wiltshire (hereinafter called "the Estate") and has agreed to sell the same to the Landlord as hereinafter provided

(B) Maxim intends to grant and the Landlord intends to join in the grant of leases of the flats and parking spaces now constructed or to be constructed on the Estate substantially in

the form of Lease annexed hereto (hereinafter called "the Lease") and for the purpose of identification signed by or on behalf of the parties hereto

(C) The Lease contains in Clause 8 covenants on the part of the Landlord (inter alia) for the insurance of the buildings and common areas on the Estate the repair of the structure and common parts of the buildings and common areas on the Estate and the provision of other services and by Clause 7 of the Lease each lessee thereunder covenants to pay to the Landlord a stated proportion of the Landlord's costs as therein more particularly described

(D) By Clause 8 (e) of the Lease it is provided that the Landlord shall be entitled from time to time to delegate the performance of any of its obligations thereunder to an Agent or Agents either generally or in particular instances

(E) It has been agreed that the Landlord shall delegate to the Company the performance of its obligations under Clause 8 of the Lease and that the Company shall carry out such obligations accordingly for the period and upon the terms hereunder mentioned

NOW THIS AGREEMENT WITNESSETH as follows:-

1. As beneficial owner Maxim will sell and the Landlord will purchase the Estate for a consideration of £1.00 subject to

the provisions of the Leases of the flats erected on the same and subject to all other matters contained or referred to in the property and charges registers of Title Number WT 55280 aforesaid other than entries relating to mortgages or charges such sale to be completed on or before four weeks from the date of completion of the Lease of the last dwelling to be sold on the Estate

2. Subject as provided in Clause 1 this Agreement shall be for a period of five years from the first day of April 1987 determinable as hereinafter mentioned and if not so determined shall continue on an annual basis and shall not merge upon completion of the sale referred to in Clause 1

3. This Agreement may be determined as follows:-

3.1 By the Company by not less than three month's notice in writing to the Landlord

3.2 By the Landlord in the manner set out in Clause 10 hereof

4. The Landlord hereby appoints the Company as its Agent to administer and manage the Estate and all buildings and ancillary services thereon and to carry out on its behalf the covenants set out in Clauses 8 of the Lease as mentioned in Clause 5.2 hereof

5. The Company will during the term of this Agreement:-

5.1 Arrange to assess in accordance with the terms of the Leases and to collect the sums payable under the terms of Clause 7 of the Lease and to carry out the obligations and exercise the discretions on the part of the Landlord contained in Clause 8 of the Lease (including in particular the provision and suitable investment of an adequate reserve fund).

5.2 Employ an Auditor to audit the accounts of the Landlord's costs as defined in Clause 7 of the Lease for each year.

5.3 Employ such other professional advisers and staff as the Company may reasonably deem necessary for the due performance of the Landlord's obligations under clause 8 of the Lease

5.4 Be entitled in its discretion in the event of any tenant being guilty of any breach or non-observance of any of the covenants and condtions contained in the Lease and on the tenant's part to be performed and observed (including any failure by the tenant to pay on the due date the sums payable under Clause 7 of the Lease) to take such proceedings in the name of the Landlord as shall be reasonably necessary to enforce the observance or performance of such covenant or condition or payment of such rent or sums as aforesaid and the Landlord hereby appoints the Company during the term of this Agreement as its Attorney for that purpose PROVIDED that the Company may at is discretion settle such proceedings on such terms as may appear to it to be advantageous AND PROVIDED FURTHER that unless the

Company resolves to take such proceedings as aforesaid without further reference to the Landlord it shall before coming to any decision consult with the Landlord and provide the Landlord with all information in its possession relevant to the particular case and if following such consultation the Company shall decide not to take such proceedings in any instance then the Company will forthwith inform the Landlord of its decision and give it such assistance and information as may be in its power if the Landlord decides to take such proceedings.

5.5 Consider on behalf of the Landlord applications for consent to assign or underlet under Clause 6 (j)(ii) of the Lease and approve or reject such applications.

5.6 Submit a budget of the Landlord's costs to the Landlord once a year and before calculating the reserve for contingent expenses to be included in the Landlord's costs in each year to discuss the same with the Landlord.

5.7 Hold all sums received from the lessees upon trust to apply the same in the performance of the obligations mentioned in Clause 5.2. hereof and in payment of the Company's fee mentioned in Clause 7 hereof and subject thereto shall be held by the Company in accordance with Clause 7 (d) of the Lease.

6. The Landlord covenants with the Company that it will:-

6.1 Give notice to every tenant for the time being of any

flat, and parking space on the Estate of the appointment of the Company herein contained and direct payment of all future sums payable under Clause 7 of the Lease to the Company and require such tenants to give to the Company notice under Clause 6 (k) of the Lease PROVIDED THAT if not withstanding any such notice as aforesaid any tenant shall pay such sums to the Landlord the Landlord shall forthwith pay over such moneys to the Company.

6.2 Supply to the Company copies of all Leases in respect of all properties on the Estate.

7. The Company shall be entitled to be paid and to retain out of the sums due to be paid to it under Clause 7 of the Lease in each year of this agreement being a period of 12 months commencing on the first day of April in each year (an anniversary date) (and so in proportion for a period of less than a year)

(a) a management fee of £1120 in the first year of this agreement such management fee to be increased for every subsequent year of this agreement by the percentage increase in the Index of Retail Prices published by the Department of Employment (or by any other Ministry Government Department or other body on which the duties in connection with the said Index shall have devolved) from the preceding anniversary date in respect of the year for which the fee is being calculated provided that if such percentage increase shall be in any year less

than five percent the management fee shall none the less be increased by five per cent together with

(b) a sum representing 10% of the cost of carrying out such of the works set out in clause 8 of the Lease as are not of an annually recurring nature together with

(c) An administration fee charged at the rate of £20 per hour or part thereof of time expended in connection with the administration of the affairs of the Landlord

(d) V.A.T. at the then current rate on any of the monies payable under this clause

8.1 If the Landlord shall following the sale of the same to it sell or assign its interest in the Estate or any part thereof or grant a long lease thereof in reversion on the leases of the flats the Landlord shall upon such sale assignment or underletting use its best endeavours to procure that the Purchaser Assignee or Undertenant shall enter into a direct agreement with the Company (and the Company will enter into such Agreement with the Purchaser Assignee or Undertenant) whereby the Purchaser Assignee or Undertenant shall confirm the Company's appointment hereunder and shall undertake to perform and observe and shall have the benefit of (as the case may be) all the provisions and conditions of this Agreement as though it had been a party thereof in lieu of the Landlord.

8.2 Upon the execution of any agreement as mentioned in sub-clause (1) hereof the Landlord shall cease to be under any

liability to the Company for the performance and observance of the said provisions and conditions.

9. The Company shall not be entitled to assign the benefit of this Agreement without the Landlord's consent except to a company formed by way of reconstruction or amalgamation.

10.1 If at any time the Landlord shall consider that the Company has failed to carry out its obligations under this Agreement the Landlord may give notice in writing to the Company specifying the failure complained of.

10.2 If within a period a three months following the service of such notice the Company shall not have substantially remedied the failure complained of the Landlord may within twenty-eight days thereafter give one month's notice in writing to the Company to determine this Agreement and unless the Company shall make such request as is mentioned in the next following sub-clause then on the expiry of such month this Agreement shall determine but without prejudice to the rights of either party accruing prior to such determination.

10.3 Provided that:-

10.4 If within the said period of one month the Company shall require the Landlord to join in submitting the question to arbitration under the provisions hereof relating thereto the said notice shall not take effect so as to determine this Agreement unless and until the Arbitrator by his formal decision rules that

the specific failure complained of in the Landlord's notice did occur and that the Company has not substantially remedied or caused the Surveyor substantially to remedy such failure within the said period of three months.

10.5 If the Arbitrator rules in the manner set out in Clause 10.4. this Agreement shall determine with effect from the date of the Arbitrator's decision and the Company shall refund to the Landlord the remuneration it has received under the terms of Clause 7 hereof during the period between the expiry of the said period of one month and the date of the decision of the Arbitrator.

10.6 If the Arbitrator rules in a manner other than that set out in Clause 10.4. the said notice of determination shall be of no effect.

10.7 Any question arising under this Clause which the Company shall require the Landlord to join in submitting to arbitration shall be referred to a single Arbitrator being a Chartered Surveyor (agreed upon between the parties to the dispute or failing agreement appointed by the President for the time being of the Royal Institution of Chartered Surveyors on the application of either party) pursuant to the Arbitration Acts 1950 and 1979 or any statutory modification or re-enactment thereof for the time being in force.

11. Upon the determination of this Agreement the Company shall pay to the Landlord the balance of all moneys in its hands after the discharge of any obligations already incurred.

IN WITNESS whereof the Common Seals of Maxim the Landlord and the Company were hereunto affixed the day and year first before written.

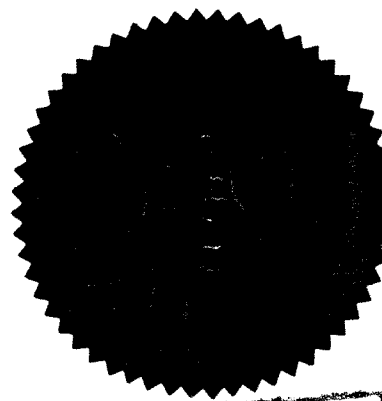
THE COMMON SEAL OF MAXIM)
HOMES LIMITED was hereunto)
affixed in the presence of:-)



Director

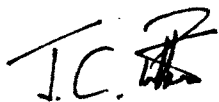


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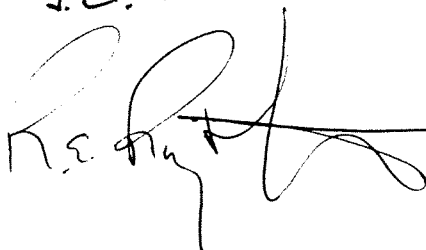


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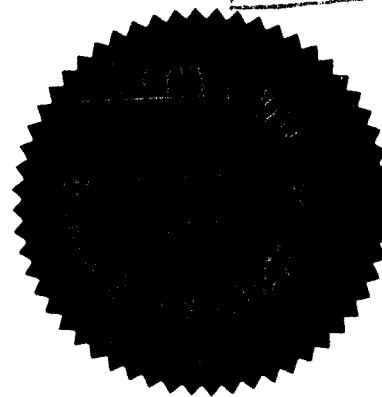
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MEWS MANAGEMENT COMPANY)
LIMITED was hereunto affixed)
in the presence of:-)



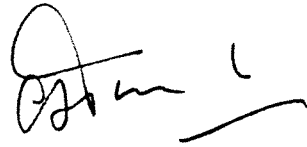
Director



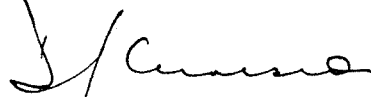
Secretary



THE COMMON SEAL OF HOLDING)
AND MANAGEMENT (SOLITAIRE))
LIMITED was hereunto affixed)
in the presence of:-)



Director



~~Authorised Signatory~~

Secretary

