

Draft Heads of Terms			
		Complete Blanks	Meaning
1.0	Date:		Date of agreement for Heads of Terms
1.1	Property Address	Café/Bakery. Bowhouse Farm, St Monans, Fife. KY210 2DB	Address of property being offered
1.2	Landlord	C/O South Kensington Estates Limited, Alfred House, 23/24 Cromwell Place, London SW7 2LD.	Legal landlord
1.3	Landlord Contact	Sam Parsons 01333 720200 sparsons@balcaskie.com Rosie Jack 01333 720200 Rjack@balcaskie.com	Contact details for landlord on site
1.4	Tenant Name/Business Name		Personal and trading names
1.5	Tenant Contact Details		Email, Postal and phone numbers
1.6	Initial Rent	Base Rent % Turnover Rent	Rent agreed per year as base rent payable in monthly or quarterly installments Rent in addition to base rent based on trading turnover for month or quarter before.
1.7	Lease Start Date		Date when lease agreed and signed by both parties
1.8	Rent Free Period		Agreed period before rent payable at the start of the term to reflect works or startup.
1.9	Rent Commencement Date		Agreed first rent collection date
2.0	Term	10 yrs	Agreed lease length
2.1	Break Clause	3 year Landlord and Tenant	Both parties have the chance to break the lease at 3 yrs for underperformance
2.2	Reviews	Annual RPI on Base rent.	Annual Retail Price Index increase effective at each anniversary of the lease. Only relates to Base rent and not Turnover rent.
2.3	Landlords Works		Any works to the building which are agreed prior to occupation which the landlord pays for.
	Tenants Works		Any works which are agreed to prior to occupation which the tenant pays for. Tenant to undertake fit out which will be documented by way of a Licence to Alter.
2.5	Deposit		Deposit to be held by the landlord in a separate non-interest bearing account. Equal to 2 Months Base Rent

2.6	Assignment & Subletting	The tenant is prohibited from assigning the whole or any part of the premises in the first 2 years of the lease. Thereafter assignment of the lease is permitted subject to the landlords consent not to be unreasonable withheld or delayed. The landlord will have a right of pre-emption over any proposed assignment and will have to match any bona fide premium offered.	
2.7	Repairing Obligations	Internal repairing. The tenant is to keep the premises in good condition and repair. External access to be maintained in clean tidy condition with no obstructions to other units.	
2.8	Alterations	External and internal structural alterations are prohibited. Internal non-structural alterations are permitted subject to landlords consent, such consent not to be unreasonably withheld or delayed and will be documented by way of a licence for alterations.	
2.9	Permitted Use	For the use as a Café and food production unit within Business Class 4 use, subject to landlord consent such consent not to be unreasonably withheld or delayed and taking into account good estate management and the Lessor's tenant mix strategy.	
3.0	Insurance	The landlord insures the building. Terrorism is an insured risk. The tenant insures all internal equipment, fixtures and fittings. Tenant must provide Public Liability to £5m	
3.1	Rates & Utilities	The tenant is responsible for all business rates and utilities.	
3.2	Lease	The terms of the lease are binding unless mutually agreed otherwise and documented.	
3.3	Other Matters	Licencing - Tenant to hold own licences to operate.	Food hygiene and alcohol

Signed on behalf  
of the Landlord

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Signed on behalf  
of the Tenant

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