

## Head of Terms

For

Lease of

### Dental Surgery at Blackburn Partnership Centre

1. **Landlord:** The Scottish Ministers per NHS Lothian
2. **Proposed Tenant:** TBC
3. **Demise:**

All and whole, the premises known as the Dental Surgery located on the first floor of Blackburn Health Centre, extending to an exclusive net internal area of 143 sqm (1,539 sqft) per the attached plan.

The Tenant will also have use of the shared staff kitchen area extending to approximately 35 sqm (378 sq ft).
4. **Lease:** A new Full Repairing and Insuring Lease for a 15-year term incorporating mutual break options on the 5<sup>th</sup> and 10<sup>th</sup> anniversaries of the date of entry, subject to 6 months prior written notice in advance.
5. **Rental:**

The rent will be £27,000 [Twenty-Seven Thousand Pounds] per annum payable quarterly in advance.

The above figures are exclusive of VAT, Business Rates, Utilities and any other occupational costs payable from the date of occupation.
6. **Rent Review:** There will be upward only rent reviews on the 5<sup>th</sup> and 10<sup>th</sup> anniversaries of the date of entry to the greater of the CPI (Consumer Price Index) increase over the preceding 5-year period or to Open Market Rent.
7. **Date of Entry:** A date of entry will be agreed on conclusion of legal missives.
8. **NHS Percentage of Dental Work:** The tenant is required to facilitate provision of a minimum of 1,500 NHS patient registrations per surgery leased (or 1,000 NHS patient registrations should a surgery be used by a vocational dental practitioner).
9. **Business Rates/Utilities:**

The Rateable Value for the premises will require to be separately assessed. The Tenant will make their own enquires with the Assessor and the Tenant will be responsible for the payment of rates directly to the Rating Authority.

The building does not have separate meters for utilities. On this basis the Tenant will contribute towards these costs on a floor area basis.
10. **VAT:** The Tenant will be responsible for VAT at the prevailing rate where applicable.
11. **Service Charge:** The Tenant will contribute towards a service charge which covers the maintenance, cleaning, and other costs in relation to the upkeep and repair of the communal and external areas of the building. The service charge will be calculated on a floor area basis and a full breakdown will be

provided on conclusion of legal missives.

- 12. Building Insurance:** In the usual way the Landlord will insure the premises and seek reimbursement of a fair proportion of the premium from the Tenant.
- 13. Use:** The Tenant will have the right to use the property as a dental surgery as defined within Class 1A of the Town & Country Planning (Use Classes) (Scotland) Order 1997.
- 14. Alienation:** The Tenant will not be permitted to assign or sublet in part. The Tenant will be permitted to assign their interest in the accommodation in whole, subject to Landlord's consent which is not to be unreasonably withheld or delayed in the case of an assignee of sound financial standing or who is, in the reasonable opinion of the Landlord, able to perform the Tenant's obligations under the lease.
- 15. Alterations:** Nonstructural alterations are permitted, subject to Landlord's prior written consent. Structural alterations are not permitted. The Tenant will provide the Landlord with details of any additional fit-out.
- 16. Legal Costs:** Each party will be responsible for their own legal costs incurred in this transaction. The Tenant will be responsible for any Land & Buildings Transaction Tax, Registration Dues and VAT thereon.
- 17. Landlord's Solicitor:** Central Legal Office, Anderson House, Breadalbane Street, Bonnington Road, Edinburgh, EH6 5JR
- 18. Proposed Tenant's Solicitor:** TBC
- 19. Conditions:** The above terms are subject to:
- i. Satisfaction with the Tenant's covenant
  - ii. Landlord's formal approval
  - iii. The conclusion of Scottish Legal Missives

This letter is not intended to form part of a legally binding contract and the correspondence of which it is part is expressly subject to completion of formal legal missives in accordance with Scots Law.