2-4 Temple Avenue
London EC4

Prime Midtown Office Investment

Securely let to Gibson, Dunn & Crutcher LLP for in excess of 11 years without breaks

On the instructions of Grainmarket Asset Management LLP
OVERVIEW

- Prominent Midtown office investment fronting the River Thames.
- Situated 200 metres west of Blackfriars and City Thames Link stations in an established and rapidly improving location.
- European headquarters of Gibson, Dunn & Crutcher LLP, a leading global law firm.
- Securely let for in excess of 11 years without breaks.
- 37,067 sq.ft. (3,443 sq.m) of air conditioned office and ancillary accommodation.
- Contracted net rent of £1,194,751(1) per annum exclusive equating to £41.38 per sq.ft. overall.
- The property is reversionary and subject to upwards only review in June 2020.
- Sharia compliant investment characteristics.
- Held by way of a headlease from the City of London which expires in June 2123. The Freeholder is entitled to 5.0% of rents receivable plus 5.0% of rents received from underletting(s), subject to a minimum rent of £50,000 per annum.
- Subject to obtaining the necessary consents the property is extremely well suited to hotel, residential and / or serviced apartments. A number of similar planning consents have recently been granted within the vicinity.

PROPOSAL

A price of £22.50 million is sought, subject to contract, for the long leasehold interest. This reflects a net initial yield of circa 5.00%(1) assuming purchaser’s costs of 5.80%.

(1) The Vendor will provide a rent top up to the contractual rent payable (under the Reversionary Lease and Agreement for Lease) post expiry of the rent free period.
AN ESTABLISHED LOCATION...

2-4 Temple Avenue is situated in an historic and vibrant location within close proximity to the Inns of Court, the Royal Courts of Justice and the Central Criminal Court.

London continues to grow its reputation as being the international capital for litigation matters with global organisations and foreign litigants drawn to the City's formidable reputation and wealth of expertise.

The Rolls Building on Fetter Lane brings under one roof the Chancery Division, the Admiralty and Commercial Court and the Technology and Construction Court. It provides the largest centre for the resolution of business, financial and property litigation anywhere within the world. It boasts 28 court rooms and three ‘super courts’ which handle the largest international disputes.

The following legal practices (to name but a few) have a substantial presence in the area: Freshfields / Dentons / MacFarlanes / Travers Smith / Jones Day / Sullivan & Cromwell / Taylor Wessing / Baker & McKenzie / Irwin Mitchell / Speechly Bircham / Withers / Wragg & Co and Bird & Bird.

SURROUNDED BY INTERNATIONAL OCCUPIERS...

A wide spectrum of major occupiers from the financial, professional, legal and corporate sectors also occupy this area of London which offers exceptional ‘value for money’ in a wider Central London context.

SENSATIONAL RIVER VIEWS...

The property commands spectacular views across the River Thames towards the Oxo Tower and the London Eye.

The ‘Southbank’ directly opposite 2-4 Temple Avenue is experiencing transformational change and is rapidly accessible via Blackfriars Bridge.

Sea Containers House, South Bank Tower, 240 Blackfriars Road and One Blackfriars are at the forefront of major regeneration and will collectively provide circa 650,000 sq ft of office accommodation, 460 high value luxury residential apartments and in excess of 500 hotel bedrooms.
LOCAL DEVELOPMENTS

In addition to public sector initiatives such as Crossrail and newly redeveloped Blackfriars Station, this area of London is delivering a number of high-quality developments.

\[\text{Carmelte Riverside}\]
\[\text{Description:} 135,000 \text{sq ft (12,542 sq m)} \text{ of Grade A office accommodation.} \]
\[\text{Status:} \text{Due for completion Q3 2014.} \]
\[\text{Developer:} \text{Orion Capital Managers & Quadrant Estates.} \]
\[\text{Occupier:} \text{Pre-lease agreed over the whole building with Hachette UK (a major publishing house), at a reported headline rent of £57.50 per sq ft.} \]

\[\text{Sea Containers House}\]
\[\text{Description:} 225,000 \text{sq ft (20,903 sq m)} \text{ of offices, 360 bedroom destination hotel and restaurant.} \]
\[\text{Status:} \text{Practical completion imminent.} \]
\[\text{Developer:} \text{The Ofer Family (via Archlane Ltd).} \]
\[\text{Occupiers:} \text{Entire office element pre-let with the latest transaction reported at £50.00 per sq ft. Occupiers include Ogilvy & Mather (media agency), Puma Sportswear and WeWork (Entrepreneur hub).} \]

\[\text{Audit House, 58 Victoria Embankment}\]
\[\text{Description:} 52,000 \text{sq ft (4,830 sq m)} \text{ office refurbishment.} \]
\[\text{Status:} \text{Speculative development scheduled for completion Q4 2015.} \]
\[\text{Developer:} \text{FORE Partnership and Kier Property.} \]

\[\text{South Bank Tower}\]
\[\text{Description:} 217,000 \text{sq ft (20,159 sq m)} \text{ of offices, 191 luxury residential apartments, 53,000 sq ft (4,923 sq m) retail.} \]
\[\text{Status:} \text{Speculative development scheduled for completion Q4 2015.} \]
\[\text{Developer:} \text{GPE / BP Pension Fund.} \]

\[\text{One Blackfriars}\]
\[\text{Description:} 800,000 \text{sq ft residential led mixed use development comprising 271 apartments, a 152 bedroom hotel, health and fitness centre and retail space.} \]
\[\text{Status:} \text{Completion scheduled for 2017.} \]
\[\text{Developer:} \text{Berkeley Group.} \]

\[\text{240 Blackfriars Road}\]
\[\text{Description:} 223,000 \text{sq ft (20,717 sq m)} \text{ landmark office development.} \]
\[\text{Status:} \text{Practical completion imminent.} \]
\[\text{Developer:} \text{GPE / BP Pension Fund.} \]
\[\text{Occupiers:} \text{Media firm UBM pre-let 10th-19th floors (105,000 sq ft) in Dec 2012. Law firm Boodle Hatfield has pre-leased 9th-10th floors at a reported rent of £50.00 per sq ft in November 2013. Ramboll is rumoured to be under offer on levels 1-3. DNV GL is rumoured to be under offer on levels 5-8.} \]
2 Puddle Dock
Description: Proposed 251 bedroom 5-star hotel, conference, entertainment, restaurant and bar facilities fronting the River Thames.
Status: Planning consent obtained.
Developer: Blackfriars Investments.

70 Farringdon Street
Description: Goldman Sachs has obtained approval for a 1,200,000 sq.ft. (112,836 sq.m.) nine storey headquarters building adjacent to its European HQ at Peterborough Court. Approval from the City of London obtained.
Status: Due to complete Q4 2015.
Developer: Land Securities.

Sixty London
Description: 235,000 sq.ft. (21,832 sq.m.) of office and retail accommodation.
Status: Recently completed.
Developer: AXA Real Estate and Favermead.
Occupiers: Amazon.com Inc has leased building at a reported rent of £57.50 per sq.ft. in respect of the best office accommodation.

1 & 2 New Ludgate
Description: 375,000 sq.ft. (34,838 sq.m.) office, restaurant and retail accommodation arranged in two buildings.
Status: Due to complete Q3 2015.
Developer: Land Securities.
Occupier: Japanese bank Mizuho is reported to be under offer on the whole of Building 2 (192,000 sq.ft.).

New Fetter Place, 12-14 New Fetter Lane
Description: 142,500 sq.ft. (13,238 sq.m.) headquarters office building.
Status: Due to complete Q4 2015.
Developer: Great Portland Estates.
Occupiers: Bird & Bird has pre-leased the building with an option to hand back up to 25,900 sq.ft. Bird & Bird is reported to have committed to 20.25 year leases (without breaks) paying a rent of £58.80 per sq.ft. in respect of the office accommodation.

1 New Street Square
Description: 270,000 sq.ft. (25,083 sq.m.) of office and retail accommodation.
Status: Planning consent received. Due to complete Q2 2016.
Developer: Land Securities.
Transport communications are excellent. Blackfriars and City Thames Link stations are located 200 metres to the east.

Blackfriars is a key Thameslink station and provides the only north / south mainline rail route that crosses Central London. It also provides direct communications with Gatwick and Luton airports and St Pancras International (Eurostar) rail service.

The Circle & District and Metropolitan lines provide east / west services on London’s Underground network. This in turn connects with the whole of Central London.

With effect from 2018, Crossrail Farringdon will be operational and just 15 minutes walk from 2-4 Temple Avenue.

Victoria Embankment is a major east / west thoroughfare. Westminster and London’s West End are a ten minute taxi journey.

High speed river services between the Docklands, the City and West End operate from Blackfriars Pier. This is located immediately in front of the property.

**Connectivity**

Journey times from Blackfriars Station via Mainline / Underground

<table>
<thead>
<tr>
<th>Time</th>
<th>Station</th>
<th>Distance</th>
</tr>
</thead>
<tbody>
<tr>
<td>06:00</td>
<td>London Bridge</td>
<td></td>
</tr>
<tr>
<td>08:00</td>
<td>Bank</td>
<td></td>
</tr>
<tr>
<td>08:00</td>
<td>Victoria</td>
<td></td>
</tr>
<tr>
<td>10:00</td>
<td>Liverpool Street</td>
<td></td>
</tr>
<tr>
<td>13:00</td>
<td>King’s Cross/St Pancras</td>
<td></td>
</tr>
<tr>
<td>14:00</td>
<td>Bond Street</td>
<td></td>
</tr>
<tr>
<td>17:00</td>
<td>Oxford Circus</td>
<td></td>
</tr>
<tr>
<td>19:00</td>
<td>Canary Wharf</td>
<td></td>
</tr>
<tr>
<td>22:00</td>
<td>Paddington</td>
<td></td>
</tr>
<tr>
<td>30:00</td>
<td>City Airport</td>
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</tr>
<tr>
<td>35:00</td>
<td>Gatwick Airport</td>
<td></td>
</tr>
<tr>
<td>46:00</td>
<td>Heathrow Airport</td>
<td></td>
</tr>
</tbody>
</table>

Source: tfl.gov.uk

*Airports not on the Crossrail route. To travel to these airports passengers will need to travel on other connecting rail services.*
DESCRIPTION

The property provides 37,067 sq.ft. (3,443.6 sq.m.) of air conditioned office and ancillary accommodation. The building delivers a high quality working environment which is greatly enhanced by its position fronting the River Thames.

The floorplate configuration is extremely well suited to legal occupiers, the dominant profession in the vicinity. The partners and fee earners of the current occupier, Gibson Dunn, enjoy the use of impressive outward looking offices with high ceilings. These have exceptional views and excellent levels of natural daylight.

Contemporary finishes complement a wealth of retained period features. Amenities include:-

- Two impressive receptions.
- Cantilevered staircases and period fireplaces.
- Two eight person passenger lifts.
- A four pipe fan coil air conditioning system (perimeter mounted).
- Six roof mounted chillers replaced in 2010.
- Raised access floors within the office areas.
- Male and Female WCs on all floors save for the fifth.
- Service area / parking space accessed from Tallis Street.

The property is extremely well suited for use as barristers chambers or serviced offices. Subject to obtaining the necessary consents alternative uses could also include hotel, residential or serviced apartments.

ACCOMMODATION

The lettable floor areas, referenced by Plowman Craven, are set out below.

<table>
<thead>
<tr>
<th>FLOOR</th>
<th>USE</th>
<th>AREA (SQ.FT.)</th>
<th>AREA (SQ.M.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fifth</td>
<td>Offices</td>
<td>211</td>
<td>19.6</td>
</tr>
<tr>
<td></td>
<td>Storage</td>
<td>510</td>
<td>47.4</td>
</tr>
<tr>
<td>Fourth</td>
<td>Offices</td>
<td>4,992</td>
<td>463.8</td>
</tr>
<tr>
<td>Third</td>
<td>Offices</td>
<td>5,666</td>
<td>526.3</td>
</tr>
<tr>
<td>Second</td>
<td>Offices</td>
<td>5,963</td>
<td>554.0</td>
</tr>
<tr>
<td>First</td>
<td>Offices</td>
<td>5,901</td>
<td>548.2</td>
</tr>
<tr>
<td>Ground</td>
<td>Offices</td>
<td>4,595</td>
<td>426.9</td>
</tr>
<tr>
<td>Lower Ground</td>
<td>Offices</td>
<td>4,281</td>
<td>397.7</td>
</tr>
<tr>
<td></td>
<td>Storage</td>
<td>526</td>
<td>48.8</td>
</tr>
<tr>
<td>Basement</td>
<td>Storage</td>
<td>4,422</td>
<td>410.8</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>37,067</td>
<td>3,443.6</td>
</tr>
</tbody>
</table>
Typical Upper Floor

Ground

Not to scale. For indicative purposes only.
**TENURE**

Held by way of a headlease from the City of London for a term of 125 years expiring on 7th June 2123.

The Freeholder is entitled to an aggregate of 5.00% of rents receivable from underletting(s) plus 5.00% of rents received from underletting(s), subject to a minimum ground rent of £50,000 per annum.

The headrent is currently £134,306 per annum.

A summary of the main provisions of the headlease is set out at Appendix 1.

**PLANNING**

2-4 Temple Avenue is Grade II listed. The property is located within the Whitefriars Conservation Area.

Listed building consent was granted in October 1998 for external and internal refurbishment works including the installation of two new lifts and roof top plant.

Planning approval was granted in December 2000 for a change of use of part of the ground floor, lower ground floor and basement from B1 offices to A3 restaurant.

**SITE PLAN**

For indicative purposes only. This plan is based upon the Ordnance Survey map with the sanction of the controller of H.M. Stationary Office. Crown copyright reserved.
TENANCY

The property is let to Gibson, Dunn & Crutcher LLP in accordance with the tenancy schedule set out below.

Gibson Dunn has occupied the building since 2000 and recently extended and increased its occupational commitment by entering into a Reversionary Lease and Agreement for Lease, both of which expire in June 2025.

The occupational lease provisions are summarised at Appendix 2.

We would draw your attention to the following:

- 2-4 Temple Avenue is the European headquarters of Gibson, Dunn & Crutcher LLP.
- Securely let for in excess of 11 years without breaks.
- The leases are drawn on effective full repairing and insuring terms.
- Aggregate contracted net rent of £1,194,751 per annum exclusive following deduction of the headrent. This equates to £41.38 per sq ft overall (£45.00 per sq ft on the best floorspace) and is considered to be reversionary.

(1) The Vendor will provide a rent top up to the contractual rent payable (under the Reversionary Lease and Agreement for Lease) post expiry of the rent free period.

TENANCY SCHEDULE

<table>
<thead>
<tr>
<th>TENANT</th>
<th>FLOOR</th>
<th>USE</th>
<th>AREA (SQ.FT.)</th>
<th>LEASE START DATE</th>
<th>LEASE EXPIRY DATE</th>
<th>NEXT RENT REVIEW DATE</th>
<th>CONTRACTED RENT (£PA)</th>
<th>RENT (£ P.S.F)</th>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gibson, Dunn &amp; Crutcher LLP</td>
<td>Part Fifth</td>
<td>Offices</td>
<td>211</td>
<td>24/06/2015 (by virtue of a Reversionary Lease)</td>
<td>23/06/2025</td>
<td>24/06/2020</td>
<td>£1,283,057</td>
<td>£43.06</td>
<td>Inside 1954 Act.</td>
</tr>
<tr>
<td></td>
<td>Part Fifth</td>
<td>Storage</td>
<td>310</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Fourth</td>
<td>Offices</td>
<td>4,992</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Third</td>
<td>Offices</td>
<td>5,666</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Second</td>
<td>Offices</td>
<td>5,963</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>First</td>
<td>Offices</td>
<td>5,901</td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td>Ground</td>
<td>Offices</td>
<td>4,595</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Part Lower Ground</td>
<td>Offices &amp; Ancillary</td>
<td>1,936</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gibson, Dunn &amp; Crutcher LLP</td>
<td>Part Lower Ground</td>
<td>Offices</td>
<td>2,325</td>
<td>24/06/2015 (by virtue of an Agreement for Lease)</td>
<td>23/06/2025</td>
<td>24/06/2020</td>
<td>£46,000</td>
<td>£20.00</td>
<td>Inside 1954 Act.</td>
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<tr>
<td></td>
<td>Basement</td>
<td>Ancillary</td>
<td>4,422</td>
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<tr>
<td>Vacant</td>
<td>Part Lower Ground</td>
<td>Ancillary</td>
<td>526</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>37,067</td>
<td></td>
<td></td>
<td></td>
<td>£1,329,057</td>
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<tr>
<td>HEADRENT</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>-£134,306</td>
<td></td>
<td></td>
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<tr>
<td>AGGREGATE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>£1,194,751</td>
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<td></td>
</tr>
</tbody>
</table>
Gibson, Dunn & Crutcher LLP ("Gibson Dunn") has in excess of 1,100 lawyers in 17 offices in major cities throughout the United States, Europe, the Middle East, Asia and South America.

The practice ranked 14th on Law360’s Global 20, a list of "the 20 law firms with the greatest global reach and expertise".

Notable cases:

- The Firm's attorneys have argued more than 100 cases before the United States Supreme Court.
- The Firm represented Mark Zuckerberg, founder of Facebook, in a $17 billion contract dispute with purported seed money financier Paul Ceglia.
- Current partner, Theodore Olson, served as lead counsel for George W. Bush in Bush v. Gore, which secured Bush's election as President of the United States.
- Gibson Dunn advised Kraft in its $19.7 billion bid for Cadbury.
- The Firm represented Chevron in its long-running, $27 billion environmental dispute in Ecuador.
- The Firm defended Wal-Mart Stores, Inc. in the landmark $11 billion employment discrimination class action Dukes v. Wal-Mart Stores, Inc.

Further information is available online at www.gibsondunn.com
**EPC**

The property has an EPC rating of C68. Further information is available upon request.

**CAPITAL ALLOWANCES**

No capital allowances are available.

**VAT**

The property is elected for VAT.

**PROPOSAL**

A price of £22.50 million is sought, subject to contract, for the long leasehold interest. This reflects a net initial yield of circa 5.00% assuming purchaser’s costs of 5.80%.

[1] The Vendor will provide a rent top up to the contractual rent payable (under the Reversionary Lease and Agreement for Lease) post expiry of the rent free period.

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**MISREPRESENTATION ACT 1967**

Hall Kemp LLP for themselves and the Vendor of this property give notice to anyone who reads these particulars as follows:-

1. These particulars are prepared for the guidance only of prospective purchasers. They are intended to give fair overall description of the property but are not intended to constitute part of an offer or contract.
2. Any information contained herein (whether in the text, plans or photographs) is given in good faith but should not be relied upon as being a statement or representation of fact.
3. Nothing in these particulars shall be deemed to be a statement that the property is in good conditions or otherwise nor that any services or facilities are in good working order.
4. The photographs appearing in this brochure show only certain parts of the property at the time when the photographs were taken. Certain aspects may have changed since the photographs were taken and it should not be assumed that the property remains precisely as displayed in the photographs. Further, no assumptions should be made in respect of parts of the property which are not shown in the photographs.
5. Any areas, measurements or distances referred to herein are approximate only.
6. Descriptions of a property are inevitably subjective and the descriptions contained herein are in good faith as an opinion and not by way of statement of fact.
7. Any intending purchaser should satisfy themselves as to the presence of any deleterious materials that may exist, or have been used in the construction of the property.
8. The Vendor provides no warranty as to the precise location of the boundaries of the property.

**PROPERTY MISDESCRIPTION ACT 1991**

These details are believed to be correct at the time of compilation but may be subject to subsequent amendment.

May 2014.
APPENDIX 1. SUMMARY OF THE MAIN HEADLEASE TERMS

Lessor
The Mayor and Commonalty and Citizens of the City of London.

Demise

Term
125 years from 8/06/1998, expiring 07/06/2123.

Rent
The Landlord is entitled to an aggregate of 5.00% of rents receivable plus 5.00% of rents received from underletting(s), subject to a minimum ground rent of £30,000 per annum.

The headrent is currently £134,306 per annum.

Payment and Calculation of Rent
Rents are assessed annually and paid with quarterly payments (part in advance and part in arrear).

- Rents receivable is defined as the total amount of monies which the Tenant is entitled to receive for the premises.
- Rents received is defined as the total amount of monies which the Tenant has actually received.

Gross Income is defined as all sums whether of a revenue or capital nature payable to, receivable by or derived by the Tenant from

- Consideration for or in respect of grant waivers release or variation by surrender to the Tenant of an underlease;
- Meane profits and damages for trespass;
- Interest on increased rent following rent review;
- Sums by way of damages or compensation (other than the cost of proceedings or arbitration);
- Distributions in the liquidation, bankruptcy or insolvency of a company.

Excluded from Gross Income are the following:

- All reasonable sums payable to the Tenant by way of an underlease in respect of rates, service charges, repairs, maintenance, decoration, modernisation, improvement, replacement of plant or equipment or other services by the Tenant or insurance (this includes a reasonable management fee);
- All sums paid in respect of claims for breach (including dilapidations);
- In relation to rents receivable, all sums payable to the Tenant by way of interest payments in respect of or as a result of Gross Income on the date the Tenant was contractually entitled to receive the same (other than any interest payable on increased rent due under an underlease following a rent review date);
- Sums payable to the Tenant to discharge VAT which the Tenant may be obliged to charge upon sums payable to the Tenant by way of Gross Income;
- Insurance proceeds in respect of damage by an insured risk where the Tenant has taken out its own insurance.

In the event that the whole or any lettable part of the premises is not subject to an underlease for a period to be occupied by the Tenant or a Group Company, then the Full Rack Rental value for that part is assessed when calculating rents receivable.

The full rack rental value of the premises (or Relevant Part) is defined as the best yearly rent which the premises might reasonably be let for the expiry of any rent free period or concessionary rent period for fitting out purposes on the basis of the following assumptions:

- A willing landlord and a willing Tenant;
- That the premises is let in the open market;
- Without vacant possession;
- For a term of ten years with a rent review at the fifth anniversary;
- The premises are in a good state of repair and decorative condition;
- The premises are fully fitted out and equipped for immediate occupation and use;
- The user is authorised by the lease and can be used for that purpose;
- That no work has been carried out on the Relevant Property which has diminished the rental value;
- That the covenants contained in the headlease on the part of the Landlord and Tenant have been fully performed.

The following are to be disregarded:

- Any effect on the rent of the fact that the lessee (or their predecessors in title) have been in occupation;
- Any goodwill attached to the Relevant Property or parts thereof;
- Any increase in the rental value as a result of Tenant's improvements (save where pursuant to a Landlord obligation).

The Minimum Rent
The minimum rent of £30,000 per annum is not subject to rent review.

User
Offices with ancillary storage excluding employment agencies, betting offices and use for members of the public.

Subject to the Landlord’s consent (not to be unreasonably withheld or delayed).

Alienation
Assignment of the whole is permitted with the Landlord’s consent (not to be unreasonably withheld or delayed).

Assignment of the whole is permitted with the Landlord’s consent (not to be unreasonably withheld or delayed) except in the following circumstances:

- Where the proposed assignment would reduce the value of the Landlord’s interest;
- Where three years audited accounts of the proposed assignee are not submitted;
- Where a suitable bank reference for the proposed assignee is not provided;
- The current Tenant does not undertake to pay all costs incurred by the landlord in consideration of the application (whether consented or not).

Undertaking
Undertaking of the whole or a part of the premises is permitted with the landlord’s consent (not to be unreasonably withheld or delayed), except in consideration of a fine or premium.

Repair, Decorations & Yielding Up
The Tenant covenants to keep the premises in good and substantial repair and condition including, where necessary, rebuilding or re- instating and replacement of Landlord’s fixtures and fittings and landscaping of external areas.

The Tenant covenants to repair, and if necessary, renew all electrical and mechanical installations and equipment within and serving the premises when they become damaged or obsolete. The Tenant is obligated to provide additional installations and equipment as shall from time to time be appropriate to maintain high quality premises for the permitted use.

External redecoration is to be undertaken during every third year and in the last year of the term. Internal redecoration is to take place every five years or as often as may reasonably be necessary in order to maintain the premises in a good and decorative condition.

At the end of the term the Tenant covenants to yield up the premises (together with all additions and improvements) in a state and condition which is consistent with the full performance of its covenants.

Redevelopment & Alterations
Subject to obtaining the necessary consents, the Tenant is permitted to undertake a redevelopment once during the term. Redevelopment is defined as a demolition (either behind or including the facade) of the whole building and the erection of a new building.

Internal structural alterations are permitted with the landlord’s consent (not to be unreasonably withheld or delayed).

The Tenant is permitted to undertake non-structural alterations without the landlord’s consent provided they do not reduce the NIA.

Insurance
The Landlord insures. The cost of the premium is recovered from the Tenant.
APPENDIX 2. SUMMARY OF THE REVERSIONARY LEASE TERMS

Premises
Lower ground, ground and first to fifth floors of 2-4 Temple Avenue, London, EC4 (as described).

Tenant
Gibson, Dunn & Crutcher LLP (a Delaware Limited Liability Partnership) with Gibson, Dunn & Crutcher LLP (a California Limited Liability Partnership) acting as surety.

Term
24/06/2015 expiring 23/06/2025.

Rent
£1,283,057 per annum exclusive. Rent is payable quarterly in advance on the usual English quarter days.

By virtue of an Agreement to Lease (relating to 2,325 sq.ft. at part lower ground floor), a rent of £46,000 per annum is also reserved.

The rent commencement date is 24/07/2017.

The aggregate gross rent reserved (upon expiry of the rent free period) is £1,329,057 per annum exclusive.

Rent Review
The Reversionary Lease and the Agreement for Lease provide for an open market upwards only rent review as at 24/06/2020.

The open market rent is defined as the yearly rent for which the demised premises might reasonably be let after the expiry of any rent free period or concessionary rent period for fitting out purposes on the basis of the following assumptions:

- A willing Landlord and a willing Tenant;
- That the premises is let in the open market;
- With vacant possession;
- For a term of ten years with a rent review at the fifth anniversary;
- That the office areas contain reasonable quality carpeting and floor boxes at one per 10m² installed at Landlord cost.

Any goodwill is to be ignored as are any improvements carried out by the Tenant.

Repair and Reinstatement
The Tenant covenants to keep the premises (including without limitation all plant and machinery) in good and substantial repair and condition and reinstate the premises at the end of the term.

Alterations
Structural or external alterations are prohibited. With superior landlords consent the Tenant is permitted to create one or more openings in the party wall with the adjoining building currently known as Audit House and / or Carmelite House – in this regard there are strict reinstatement provisions.

Minor internal structural alterations (providing they do not affect the structural layout or integrity of the building) are permitted with the prior written approval of the Landlord (not to be unreasonably withheld or delayed).

No approvals are required for the installation and removal of demountable partitioning.

Decoration
In 2014 the Tenant covenants to decorate the demised premises and the interior of the window frames.

Service Charge
There is 100% service charge recovery.

Insurance
The superior Landlord insures the building and the Tenant covenants to reimburse a fair proportion of the premium.

Alienation
The Tenant covenants:
- Not to assign part only;
- Not to assign the whole of the premises without prior written consent (not to be unreasonably withheld or delayed). Superior landlord’s consent is required (but not landlords) to an assignment of the surety;
- The landlord may require an Authorised Guarantee Agreement (AGA);
- Underletting of the whole or part is permitted providing there are no more than two occupiers per floor and six occupiers in total. Underlettings are to be excluded from the security of tenure provision of the Landlord and Tenant Act 1954;
- Group sharing is permitted.

User
Offices together with ancillary storage and car parking.

The following uses are prohibited:
- As a dwelling place or for sleeping;
- As a betting office or in connection with gaming;
- The sale of intoxicants for consumption;
- Public entertainment.

2-4 Temple Avenue, EC4