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UNITED STUDENT MANAGEMENT LIMITED
184 Shepherds Bush Rd, London W6 7NL

Via email only

28th August 2025

Subject: Request for Renegotiation of 2024–25 Lease Agreement

Dear AXO Team,

We hope you are well and thank you for your time last week in discussing our outstanding claims and concerns.

We value our partnership with AXO and the shared commitment to provide high-quality accommodation to students. However, the 2024–25 academic year has been exceptionally challenging for Londonist, and despite our best efforts, we have incurred significant losses on the rooms taken under our nomination agreement with you.

Several factors have contributed to this outcome. The wider market slowdown, aggressive marketing and pricing strategies by various providers, and global uncertainties have all led to reduced demand and lower achievable prices. These external conditions have directly impacted our ability to achieve the mutual profitability we anticipated when entering into this agreement.

In addition to the above, for AXO specifically we have faced operational difficulties that further reduced our ability to sell and maintain profitability, including:

1. Ongoing issues with maintenance, cleanliness and responsiveness to student complaints
2. Negative feedback from students and partners that has impacted our reputation and hindered repeat bookings.
3. Disruptions caused by short-term pricing strategies introduced this year, which created confusion in the market and made it harder for us to compete effectively.

When we entered into the agreement, our expectations and projections were based on a mutually beneficial outcome, and the key figures for our portfolio at AXO for this academic year are as follows:

1. **Total rooms bought:** 103

2. **Weekly average bought:** £331.07
3. **Total amount bought:** £1,773,200.00

However, today, we are on 11th of August 2025 and our sales report for AXO as follows:

1. **Total Paid Amount**: £1,416,066.67
2. **Total management expenses per 103 units:** £333,992.81

Despite our best efforts, the results fell well below expectations, leaving us with a substantial loss.

As you can see, our total selling is £1,851,362.85 and total collected is £1,741,604.00 , which are significantly lower than our forecasted sales, and with an additional £333,992.81 operational expenditure, this has resulted in a net loss of £365,588.81 on this agreement.

We greatly value our long-term relationship with AXO and wish to find a constructive way forward. To establish a mutual and sustainable long-term partnership, we ask for your understanding and support in adjusting the financial terms for this academic year. Specifically, we propose the following:

1. **Outstanding Balance:** £357,133.33
2. **Discount Requested:** £75,000
3. **Referral Commitment:** £75,000.00 - starting September 2025 over 2 years, across UK cities
4. **Revised Payable:** £207,133.33
5. **Instalment Plan:** £20,713.33 (10 equal monthly instalments starting from 1 September 2025)

We appreciate your consideration of this request, which we believe is necessary to allow both parties to maintain a healthy and productive partnership. We remain committed to meeting our obligations wherever possible and would welcome the opportunity to discuss these proposals with you at your earliest convenience.

Thank you for your understanding, and we look forward to your response.

Kind regards,

For and on behalf of Londonist DMC Ltd Management Team