Dated 13 April 2011

THE COUNCIL OF THE CITY OF MANCHESTER

- and -

ABDULLA HASSAN KHAFFAF

- and -

CLYDESDALE BANK PLC

AGREEMENT

pursuant to Section 106 Town and Country Planning Act 1990
relating to land at Demesne Road, Whalley Range
in the City of Manchester

City Solicitor
Manchester City Council
P O Box 532
Town Hall
Albert Square
Manchester M60 2LA

L/BH/EVD3001/2434

THIS AGREEMENT is made the 13th day of April 2011

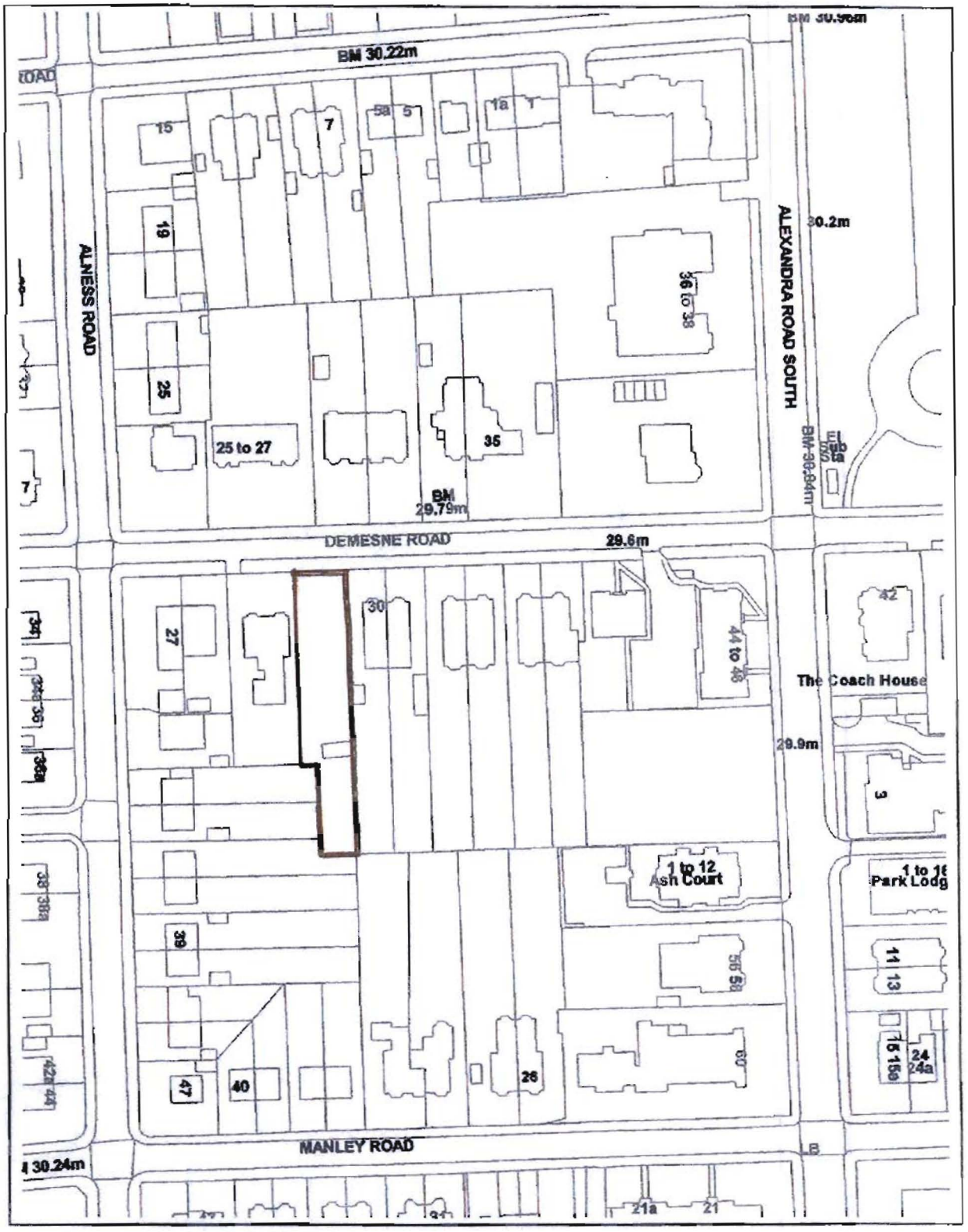
BETWEEN THE COUNCIL OF THE CITY OF MANCHESTER of Town Hall, Albert Square, Manchester ("the Council") of the first part and ABDULLA HASSAN KHAFFAF of 93 Gulan Street, 322 Showresh District, Erbil, Iraq ("the Owner" which expression shall include the successors in title and assigns of the Owner) of the second part and CLYDESDALE BANK PLC (Scottish company registration number 1111) whose registered office is at 30 St Vincent Place, Glasgow, G1 2HL ("the Mortgagee" which expression shall include the successors in title and assigns of the Mortgagee) of the second part

WHEREAS

(1) In this Agreement unless the context otherwise requires the following words and expressions and phrases shall have the meanings hereby ascribed to them

"Act"	shall mean the Town and Country Planning Act 1990
"Application"	shall mean the application for planning permission received by the Council under reference number 086376/FO/2008/S1
"Commencement Date"	shall mean the date upon which Development is commenced by the carrying out of a material operation as defined in section 56 of the Act and "Commence Development" shall have the corresponding meaning
"Development"	shall mean the development of the Land pursuant to the Planning Permission and substantially comprising the erection of 1 (one) three bed apartment and 6 (six) 2 (two) bed apartments with 8 (eight) car parking spaces and associated landscaping following demolition of the existing garage at the Land

"Inflation"	shall mean the number of the General Index of Retail Prices (All Items) for the specified month produced by the Office for National Statistics
"Inflation Increase"	shall mean the amount calculated by way of the formula contained in paragraph 6 of this Agreement
"Land"	shall mean the land against which this Agreement by Deed may be enforced and being all that land at Demesne Road, Whalley Range, Manchester formerly known as 28 Demesne Road, Whalley Range, Manchester as shown edged red on the attached plan
"Occupation"	shall mean the occupation of the Development for the purposes permitted by the Planning Permission but not including occupation by personnel engaged in construction fitting out or decoration or occupation for marketing or display purposes or occupation in relation to security operations and "Occupy" and "Occupied" shall be construed accordingly
"Residential Unit"	shall mean each of the apartments of the Development, namely the 1 (one) three bed apartment and 6 (six) 2 (two) bed apartments, according the application for planning permission received by the Council under reference number 086376/FO/2008/S1
"Planning Obligations"	shall mean the obligations of the Owner specified in the Schedule to this Agreement
"Planning Permission"	shall mean planning permission under the Act for the Development to be granted pursuant to the Application



MANCHESTER CITY COUNCIL

PETER BABB
HEAD OF PLANNING
CHIEF EXECUTIVES
DEPARTMENT
PO BOX 463
TOWN HALL EXTENSION
MANCHESTER
M60 3NY

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J. Khaffaf

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"Stakeholder Account"	shall mean an account held by the Council's City Treasurer and his authorised officers at the Co-operative Bank plc in which the monies paid under the Planning Obligations are held

(2) A reference in this Agreement to an act of Parliament or to any order, regulation, statutory instrument or the like shall include a reference to any amendment or re-enactment of the same.

(3) Words importing the masculine gender include the feminine gender and vice versa and words in the singular include the plural and vice versa and words importing individuals shall be treated as importing corporations and vice versa.

(4) Any headings or side notes are for ease of reference only and shall not affect the construction of this Agreement.

(5) If any party to this Agreement comprises more than one party then that party shall be jointly and severally liable under this Agreement.

(6) Words denoting an obligation on a party to this Agreement to do any act matter or thing include an obligation to procure that it be done and words placing a party to this Agreement under a restriction include an obligation not to permit or allow infringement of that restriction

(7) The Council is the local planning authority for the purposes of the Act for the area in which the Land is situate and is minded to grant the Planning Permission subject to the completion of this Agreement.

(8) The Owner is the registered proprietor with title absolute of the freehold of the Land and other land registered under title number GM615588 at the Land Registry, subject to the registered charge of the Mortgagee.

(9) The planning purpose of this Agreement is to improve the amenity of land in the locality of the Land with benefit for occupiers of the Development and to mitigate the adverse impacts of the Development in accordance with the development plan for the area and other material considerations.

NOW THIS DEED WITNESSETH as follows:

1. This Agreement is made in pursuance of Section 106 of the Act and Section 111 of the Local Government Act 1972 and all other powers and enactments which may give validity hereto and facilitate the enforcement of the obligations and provisions herein contained.

2. The Owner consents to its interest in the Land being bound by this Agreement and covenants with the Council in the terms set out in the Schedule to this Agreement, those covenants being planning obligations under section 106 of the Act and enforceable by the Council.

3. The Mortgagee consents to its interest in the Land being bound by this Agreement and covenants with the Council to be jointly and severally liable with the Owner for the performance and observance of the Planning Obligations as soon as it may become mortgagee in possession of any part of the Land.

4. The Developer covenants with the Council to pay to the Council on the date hereof such sum as notified in respect of the Council's costs in connection with this Agreement.

5. The Council covenants with the Owner to issue the Planning Permission on the date hereof.

6. The amount payable under the Planning Obligations shall be increased by the application of the formula A = B x C / D provided that C / D shall always be greater than or equal to 1 and with the following definitions:

A is the sum actually payable on the date upon which the amount due under the Planning Obligations is paid ("Specified Date")

B is £25,000 (twenty five thousand pounds)

C is Inflation for the month closest to the Specified Date and which has been published by the Specified Date

D is Inflation for the month in which this Agreement is dated

7. Nothing herein contained or implied shall prejudice or affect the rights, powers, duties and obligations of the Council in exercise of its functions as a local authority and the rights, powers, duties and obligations of the Council under all public and private statutes, byelaws, orders and regulations may be fully and effectually exercised in relation to the Land or any part thereof and any works executed thereon as if this Agreement had not been executed by the Council and in particular nothing in this Agreement shall restrict the Council and any other authority from exercising powers of compulsory purchase in respect of any part of the Land.

8. No failure or delay by the Council to exercise any right, power or remedy will operate as a waiver of it nor will any partial exercise preclude any further exercise of the same, or of some other right, power or remedy.

9. In respect of the sums payable by the Owner to the Council under the Planning Obligations, the Council covenants with the Owner:

9.1 to pay such sums into the Stakeholder Account and hold such sums therein until the withdrawal of such sums as may be required for the purposes specified in the Planning Obligations

9.2 to use such sums withdrawn from the Stakeholder Account solely and exclusively for the purposes specified in the Planning Obligations

9.3 to pay to the Owner such amount of the sums which have not been expended in accordance with the provisions of this Agreement within 10 (ten) years of the date of receipt by the Council of such payment together with interest at the Bank of England base rate from time to time from the date of expiration of this ten year period to the date of refund.

10. The Contracts (Rights of Third Parties) Act 1999 does not apply to this Agreement.

11. If any provision of this Agreement shall be prohibited by or adjudged by a court to be unlawful, void or unenforceable such provision shall to the extent required be severed from this Agreement and rendered ineffective as far as possible without modifying the remaining provisions of this Agreement and shall not in any way affect any other circumstances or the validity or enforcement of this Agreement.

12. Any approval given by the Council under this Agreement or for the purposes of this Agreement shall not be deemed to be approval for any other purpose whatsoever.

13. Nothing in this Agreement prohibits or limits the right to develop any part of the Land in accordance with a planning permission, other than one relating to the Development as specified in the Planning Application, granted after the date of this Agreement, whether or not pursuant to an appeal.

14. This Agreement shall be registered in the Council's Register of Local Land Charges immediately on completion thereof.

15. The Owner will at its own expense immediately following completion of this Agreement make an application to the Land Registry for registration of this Deed on the Title Register for the Land registered under Title Number GM615588

and will inform the Council's Legal Services Section once registration has been effected.

16. If any sum payable under the terms of this Agreement is not paid at the time specified herein the party responsible for making the payment shall pay to the Council interest on such sum calculated on a daily basis and compounded quarterly from the due date until payment at the rate of 4% per annum over the Co-Operative Bank plc base rate from time to time in force and such amount shall be recoverable by action as a liquidated sum.

17. The Owner agrees with the Council to give the Council immediate written notice of any change in ownership of any of its interests in the Land occurring before all the Planning Obligations under this Agreement have been discharged such notice to give details of the transferee's full name and registered office (if a company or usual address if not) together with the area of the Land or unit of occupation purchased by reference to a plan.

18. The provisions of this Agreement (other than this clause which shall be of immediate effect) shall be of no effect until this Agreement has been dated.

19. No person shall be liable for breach of a covenant contained in this Agreement after he shall have parted with his interest in the Land or the part in respect of which such breach occurs but without prejudice to liability for any subsisting breach of covenant prior to parting with such interest.

20. If the Planning Permission shall expire before the Commencement Date of Development or shall at any time be revoked or for any reason cease to remain extant this Agreement shall forthwith determine and cease to have an effect in which case the registration of this Agreement on the Register of Local Land Charges will forthwith be cancelled.

21. The Council will upon the written request of the Owner at any time after the Planning Obligations under this Agreement have been fulfilled or determined issue written confirmation thereof and thereafter cancel all related entries in the Register of Local Land Charges.

22. All acts required to be undertaken by the Owner under this Agreement or as incidental to this Agreement shall in all respects be at the cost of the Owner.

23. All correspondence in connection with this Agreement shall be sent to the Council at the following address or such other address as may be notified from time to time: Planning Department, Ref. 086376/FO/2008/S1, Manchester City Council, PO Box 463, Town Hall, Manchester, M60 3NY.

IN WITNESS whereof this Agreement has been executed as a deed in the manner hereinafter appearing and delivered the day and year first before written.

SCHEDULE

THE PLANNING OBLIGATIONS

1. The Owner covenants with the Council to pay the Council prior to first occupation of any Residential Unit of the Development the sum of £25,000 (twenty five thousand pounds) together with any Inflation Increase for the purpose of improving and maintaining the environment and public realm within the vicinity of the Land and for the purpose of any other costs and expenses in connection with or incidental to the same.

2. The Owner covenants that no later than 1 (one) month from first occupation of any Residential Unit of the Development he will notify the Council in writing of the date that the first occupation of any residential unit of the Development occurred.

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BH

THE COMMON SEAL of THE COUNCIL OF THE CITY OF MANCHESTER was hereunto affixed in pursuance of an Order of the Council of the said City:



Authorised Signatory

SIGNED AS A DEED by JALAL HASSAN KHAFFAF
As attorney for ABDULLA HASSAN KHAFFAF
in the presence of

Witness signature:
Witness name (in BLOCK LETTERS): Stephen Locke
Witness address:

For and on behalf of
Clydesdale Bank PLC
trading as Yorkshire Bank

Attorney of
Clydesdale Bank plc

SIGNED AS A DEED AND DELIVERED BY
IAN HEY SENIOR MANAGER VALUE RECOVERY
On behalf of Clydesdale Bank PLC
Trading as Yorkshire Bank
In the presence of
Witness Signature
Full Name A JOHNSON
Ref of 20 MERRION WAY
LEEDS
LS2 8NZ