Dated 17 September 2008

THE COUNCIL OF THE CITY OF MANCHESTER

- and -

SEDDON HOMES LIMITED

- and -

SEDDON HOMES (DIDSBURY) LIMITED

- and -

THE ROYAL BANK OF SCOTLAND

AGREEMENT

pursuant to Section 106 Town and Country Planning Act 1990
relating to land at Golden Lion Public House, 579 Wilmslow Road, Withington
in the City of Manchester

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

L/BH/EVD3001/2391

THIS AGREEMENT is made the 17 day of September 2008

BETWEEN THE COUNCIL OF THE CITY OF MANCHESTER of Town Hall, Albert Square, Manchester ("the Council") of the first part and SEDDON HOMES LIMITED (company registration number 03045309) whose registered office is at 3 Cinnamon Park, Crab Lane, Fearnhead, Warrington, Cheshire, WA2 0XP ("the Owner" which expression shall include the successors in title and assigns of the Owner) of the second part and SEDDON HOMES (DIDSBURY) LIMITED (company registration number 3185000) whose registered office is at 3 Cinnamon Park, Crab Lane, Fearnhead, Warrington, Cheshire, WA2 0XP ("the Covenantor" which expression shall include the successors in title and assigns of the Covenantor) of the third part and THE ROYAL BANK OF SCOTLAND PLC (company registration number SC090312) whose registered office is at 36 St Andrew Square, Edinburgh, EH2 2YB ("the Mortgagee" which expression shall include the successors in title and assigns of the Mortgagee) of the fourth 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 086311/FO/2008/S2
"Commencement Date"	shall mean the date upon which the 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

H. M. LAND REGISTRY

NATIONAL GRID PLAN SJ 8492 SECTION M
(MANCHESTER)

Scale 1/1250

CITY OF MANCHESTER



Filed Plan of Title No. LA 44304

	substantially comprising construction of 3 (three) blocks of 3 (three) storey flats to accommodate 48 two bedroomed flats with underground car parking for 61 (sixty one) spaces with associated landscaping
"First Contribution"	shall mean the payment of £30,000 (thirty thousand pounds) paid to the Council under the terms of the First Planning Agreement as is more particularly detailed in paragraph 1 of the First Schedule hereto
"First Planning Agreement"	shall mean an agreement under section 106 of the Act dated 21 January 2005 and made between the Council of the first part Spirit Group Limited of the second part the Covenantor (under its former name of Clarke Lyons (Didsbury) Limited) of the third part and Deutsche Trust Company Limited of the fourth part
"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
"Land"	shall mean all that land at the Former Golden Lion Public House, 579 Wilmslow Road, Manchester as shown edged red on the attached plan
"Planning Obligations"	shall mean the obligations of the Owner specified in the Second Schedule to this Agreement
"Planning Permission"	shall mean planning permission under the Act for the Development to be granted pursuant to the Application

"Second Contribution"	shall mean the payment of £70,000 (seventy thousand pounds) on the Commencement Date as is more particularly detailed in paragraph 2 of the Second Schedule hereto
"Stakeholder"	shall mean the Council's City Treasurer and his authorised officers
"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) 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.

(7) The Owner is the registered proprietor with title absolute of the freehold of the Land registered under title number LA44304 at HM Land Registry, subject to the

registered charge of the Mortgagee and subject to but with the benefit of the terms of the First Planning Agreement.

(8) The Covenantor is a subsidiary company of the Owner and is seeking that the Owner benefits from the Planning Permission. The Council is minded to grant the Planning Permission subject to mitigation of the effects of the Development by the funding of improvement measures as detailed in the First and Second Schedules of this Agreement. In order to help mitigate the effect of the Development the Council requires the Covenantor to enter into the agreement detailed in paragraph 1 of the First Schedule. In consideration of the issue of the Planning Permission the Covenantor has agreed as detailed in paragraph 1 of the First Schedule to this Agreement.

(9) The planning purpose of this Agreement is to improve the amenity of land and highway safety in the locality of the Development with particular benefit for occupiers of the Development in accordance with the Council's unitary development plan 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 enabling 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 paragraphs 1 and 2 of the Second 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 and for so long as it may remain so.

4. The Owner covenants to pay to the Council on completion of this Agreement £773.16 in respect of the Council's costs in connection with this Agreement.

5. The Planning Obligations shall take effect only upon the grant of the Planning Permission and nothing in this Agreement shall limit the right of the parties to develop any part of the Land in accordance with a planning permission (other than the Planning Permission) granted (whether on appeal or not) after the date of this Agreement.

6. The Council covenants with the Owner to issue the Planning Permission on the date of this Agreement.

7. The Second Contribution payable to the Council under this Agreement 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 an obligation arising under this Agreement is discharged ("Specified Date")
B is £70,000 (seventy 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

8. 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/or any other authority from exercising powers of compulsory purchase in respect of any part of the Land.

9. 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.

10. All works and 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.

11. The Planning Obligations created by this Agreement are enforceable by the Council.

12. In respect of the First Contribution that has been paid by the Covenantor to the Council and the Second Contribution payable by the Owner to the Council under the Planning Obligations, the Council covenants with the Covenantor and the Owner:

12.1 to in respect of the First Contribution retain in the Stakeholder Account and in respect of the Second Contribution pay such sums into the Stakeholder Account and hold such sums therein until the withdrawal of such sums as may be required in order to fulfil the purposes and objectives specified in this Agreement

12.2 to use such sums withdrawn from the Stakeholder Account solely and exclusively for such purpose or purposes specified in this Agreement as the Council at its sole discretion may choose

12.3 to use such sums within the period of 60 months from the Commencement Date or date of its receipt whichever is the later time being of the essence. In the event that these monies are not so used the Council will repay the monies or any balance thereof to the Owner together with any interest that has accrued thereon.

12.4 to provide at the request of the Owner details of the monies spent and works done in order to fulfil the purposes and objectives specified in this Agreement.

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

14. 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.

15. No party to this Agreement shall be liable for any breach or non-observance of any obligation contained herein after it has parted with all interest in the Land but without prejudice to liability for any such breach or non-observance subsisting on or prior to parting with such interest.

16. 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.

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

18. 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 LA44304 and will inform the Council's Legal Services Section once registration has been effected.

19. 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.

20. All correspondence in connection with this Agreement shall be sent by the Owner to the Council at the following address or such other address as may be notified to the Owner from time to time: Planning Department, Ref. 086311/FO/2008/S2, Manchester City Council, PO Box 463, Town Hall, Manchester, M60 3NY.

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

FIRST SCHEDULE

THE COVENANT

1. (i) Under the terms of a covenant contained within the First Planning Agreement the Covenantor paid to the Council on the date of the First Planning Agreement the First Contribution for one or more of the following purposes that the Council at its sole discretion may choose:

   (a) Improving Fog Lane Park in Manchester

   (b) Improving the highway in the vicinity of the Development

   (c) Any other costs and expenses in connection with (a) and (b) of this paragraph 1 of this Schedule.

   (ii) In consideration of the issue of the Planning Permission on the date of completion of this Agreement and subject to clause 13.3 of this Agreement the Covenantor agrees that the First Contribution shall be retained by the Council and applied at the Council's sole discretion for any or all of the purposes detailed in paragraph 1. (i) of this Schedule.

THE SECOND SCHEDULE

THE PLANNING OBLIGATIONS

1. The Owner covenants with the Council not to Commence Development, nor to allow nor to permit the same to be Commenced, until it has complied with paragraph 2 of this Schedule.

2. The Owner covenants with the Council to pay to the Council on the Commencement Date the sum of £70,000 for one or more of the following purposes that the Council at its sole discretion may choose:
   (a) Improving Fog Lane Park in Manchester
   (b) Improving the highway in the vicinity of the Development
   (c) Any other costs and expenses in connection with (a) and (b) of this paragraph 3 of this Schedule.

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

C1057297

EXECUTED AS A DEED by SEDDON HOMES LIMITED
acting by:
Director

Secretary

EXECUTED AS A DEED by SEDDON HOMES (DIDSBURY) LIMITED
acting by:
Director

Secretary

SIGNED AS A DEED by a duly authorised Official of the Bank as Attorney of the Bank the day and year first before written
SIGNED AND DELIVERED
By
Name:

Attorney
Of the Royal Bank of Scotland

In the presence of:
Witness Name:
Address:

Signed and Delivered as a deed
for and on behalf of
THE ROYAL BANK OF SCOTLAND PLC
by a duly authorised Attorney

In the presence of:

Witness' Signature - Bank Employee

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