Dated 21st March 2024

THE COUNCIL OF THE CITY OF MANCHESTER

- and -

SALBOY (SPV CO 4) LIMITED

- and –

APEX GROUP HOLD CO (UK) LIMITED [redacted]

AGREEMENT

pursuant to Section 106 Town and Country Planning Act 1990
relating to land adjacent to Dutton Street and New Bridge Street in the City of Manchester

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

L/BH/PLA001/84031

THIS AGREEMENT is made the 21st day of March 2024

BETWEEN **THE COUNCIL OF THE CITY OF MANCHESTER** of Town Hall, Albert Square, Manchester ("the Council") of the first part **SALBOY (SPV CO 4) LIMITED** (company registration number 14443426) whose registered office is situated at Unit 2 Block C 14 Hulme Street, Salford, M5 4QG ~~3 Birchwood One Business Park, Dewhurst Road, Birchwood, Warrington, WA3 7GB~~ (the "**Owner**" which expression shall include the successors in title and assigns of the First Owner) of the second part and **APEX GROUP HOLD CO (UK) LIMITED** (company registration number 05918184) whose registered office is situated at 6th Floor, 125 London Wall, London EC2Y 5AS (the "Mortgagee" which expression shall include the successors in title and assigns of the Mortgagee) of the third part

WHEREAS

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

B. The Owner is the registered proprietor with title absolute of the freehold of the Land registered under title number MAN425290 at the Land Registry.

C. The Mortgagee has an interest in the Land by virtue of a charge dated 23 November 2023 which in the process of being registered against the freehold title of the Owner.

D. The Application has been submitted by the Owner to the Council for planning permission to carry out the Development in the manner set out in the plans, specifications and particulars forming part of the Application.

E. The Council is willing to grant planning permission pursuant to the Application which will revise the First Planning Permission and the Owner and the Council together with the Mortgagee have agreed to enter into this Agreement in order to secure the Planning Obligations contained in this Agreement.

F. 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 In addition the Council has recognised the difficulty faced by lower income groups in buying homes within the Administrative Boundaries of Manchester and the planning purpose of this Agreement is to increase the provision of affordable housing within the Administrative Boundaries of Manchester The Owner has agreed to make provision for affordable housing in the manner hereinafter appearing.

G The Council is satisfied that the obligations in this Agreement are,

(a) necessary to make the Development acceptable in planning terms (including where appropriate, obligations necessary to mitigate the adverse impacts of the Development in accordance with the development plan for the area and other material considerations);

(b) directly related to the Development, and

(c) fairly and reasonably related in scale and kind to the Development, and in any event will secure other planning benefits

NOW THIS AGREEMENT WITNESSETH as follows

1 **Interpretative provisions**

1 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 (as amended)

"Administrative Boundaries of Manchester" shall mean all the wards that together comprise the city of Manchester

"Affordable Housing" shall have the meaning given to it in policy H8 of the Core Strategy, the Policy and in Annex 2 Glossary of the NPPF dated September 2023 as may be amended or any replacement of the same

"Affordable Housing Contribution" shall mean a contribution of £450,000 (four hundred and fifty thousand pounds) towards the provision of Affordable Housing within the

	Administrative Boundaries of Manchester and for the purpose of any other costs and expenses in connection with or incidental to the same
"Agreement"	shall mean this agreement by deed
"Application"	shall mean the application for planning permission received by the Council under reference number 138031/JO/2023
"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", "Commencement" and "Commencement of Development" shall have the corresponding meaning save that for the purposes of determining whether a material operation has been carried out there shall be disregarded

(a) ground and archaeological investigations,

(b) surveys,

(c) site clearance and demolition,

(d) remediation,

(e) the erection of site fences and hoardings,

(f) the creation of a site compound,

(g) the creation of temporary access and haul roads,

(h) the diversion decommissioning and/or laying of the services for the supply or carriage of electricity gas water sewerage telecommunications or other utilities or services

"Commencement Notice"	means written notice given by the Owner to the Council within 14 days of Commencement stating that Commencement has taken place and specifying the date of Commencement

"Core Strategy"	means the Manchester Core Strategy (adopted 11th July 2012) which is the key document in the Council's Local Development Framework and details the Council's vision for the development of Manchester during the period 2012 to 2027
"Development"	shall mean the First Development with variation of the condition numbered 3 (Specified Plan) attached to the First Planning Permission in order to include a basement area to Block A
"Dwelling"	a residential unit of accommodation to be constructed on the Land as part of the Development pursuant to the Planning Permission and "Dwellings" shall be construed accordingly
"First Development"	shall mean the development of the Land pursuant to the First Planning Permission and substantially comprising the erection of two buildings (a part 17, part 12 storey building and a part 26, part 23 storey building) to form 556 Dwellings (Use Class C3a) together with the creation of 3490 sqm of commercial floor space (Use Classes A1, A2, A3, B1 and D1) with associated landscaping, access and other associated works
"First Planning Agreement"	shall mean the Planning Agreement relating to the Land dated 28 February 2019 and made between the Council (1) Deansgate Securities LLP (2) and Prosperity UX Manchester Developments Limited (3) as amended by a deed of variation dated 22 February 2022 made between the Council (1) and Deansgate

	Securities LLP (2) and a deed of variation dated 2 August 2022 made between the Council (1) and Deansgate Securities LLP (2) (together the "Deeds of Variation")
"First Planning Permission"	shall mean full permission under the Act for the First Development granted under reference 118831/FO/2018
"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 (or contained in any official publication substituted therefor) or such other index as may from time to time be published in substitution therefor;
"Inflation Increase"	shall mean the amount calculated by way of the formula contained in clause 2 6 of this Agreement
"Land"	shall mean the land against which this Agreement may be enforced and being all that land adjacent to Dutton Street and New Bridge Street, Manchester as shown edged blue on the attached plan
"Management Fee"	shall mean 15% of the planning application fee to be used for the purpose of management and monitoring of this Agreement and the Planning Obligations contained herein
"Non-Residential Units"	any unit of accommodation not designed or intended for residential use to be constructed on the Land as part of the Development pursuant to the Planning Permission and "Non-

	Residential Units" shall be construed accordingly
"Occupation"	shall mean occupation of any part of the Development for the purposes permitted by the Planning Permission but not including occupation by personnel engaged in construction, fitting out or decoration of the Dwellings or Non-Residential Units or common parts of the Development occupation for marketing or display or occupation in relation to security operations and "Occupied" shall be construed accordingly
"Planning Obligations"	shall mean the obligations of the Owner specified in the First Schedule to this Agreement
"Planning Permission"	shall mean full planning permission under the Act for the Development to be granted pursuant to the Application
"Policy"	shall mean "Providing for Housing Choice-Supplementary Planning Document and Planning Guidance" adopted on 2 September 2008 as the same may be amended or replaced
"Public Realm Contribution"	shall mean a contribution of £500,000 (five hundred thousand pounds)
"Public Realm Strip"	shall mean the part of the Land coloured green on the attached plan
"Stakeholder"	shall mean the Council's City Treasurer and his authorised officers
"Stakeholder Account"	shall mean an interest earning account held by the Council's City Treasurer and his authorised officers at Barclays Bank plc in which the monies paid under the Planning Obligations are held

"Working Day" shall mean any day apart from Saturday and Sunday, Christmas Day, Good Friday and any statutory Bank Holiday in England

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 Where in this Agreement reference is made to any clause, paragraph, schedule or recital such reference (unless the context otherwise requires) is a reference to a clause, paragraph, schedule or recital in this Agreement

6 If any party to this Agreement comprises more than one person then that party shall be jointly and severally liable under this Agreement

7 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

8. Words denoting actual persons include companies corporations limited partnerships limited liability partnerships and firms

2 Operative provisions

2.1. This Agreement is made in pursuance of Section 106 of the Act, Section 111 of the Local Government Act 1972, Section 1 of the Localism Act 2011 and all other powers and enactments which may give validity hereto and facilitate the enforcement of the obligations and provisions herein contained.

2.2. The Owner consents to its interests in the Land being bound by this Agreement and covenants with the Council in the terms set out in the First Schedule, those covenants being Planning Obligations under section 106 of the Act and enforceable by the Council in its capacity as local planning authority.

2 3 The Owner covenants with the Council to pay to the Council on the date hereof such sum as notified in respect of the Council's legal costs in connection with this Agreement Receipt by the Council of the payment of such sum shall not create any lawyer-client type contractual relationship between the Council and the Owner nor absolve the Owner from any liability or obligation imposed upon it by the terms of this Agreement or by statute or at common law

2 4 In consideration of the management fee received pursuant to the First Planning Agreement (receipt of which is acknowledged) and of the agreement of the Owner set out in the following sentence the Council agrees to accept the management fee received in lieu of the Management Fee The Owner agrees that the Council may apply the management fee received for the purpose of the management and monitoring of the planning obligations contained in this Agreement or the First Planning Agreement

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

2 6 The Inflation Increase payable under the Planning Obligations shall be calculated on the date upon which the amounts due under the Planning Obligations are paid as follows

A, using the formula A = B x (C / D) provided that (C / D) shall always be greater than or equal to 1, is the sum payable

(a) on the date as determined by the application of Paragraph 2 1 of the First Schedule, and

(b) on the date as determined by the application of Paragraph 2 2 of the First Schedule, and

(c) on the date as determined by the application of Paragraph 2.3 of the First Schedule,

and B, C and D are defined as

B is in respect of (a) above £650,000 (six hundred and fifty thousand pounds) and in respect of (b) above £150,000 (one hundred and fifty thousand pounds) and in respect of (c) above £150,000 (one hundred and fifty thousand pounds)

C is Inflation in respect of (a) above as shown in the relevant index published last before the date as determined by the application of paragraph 2 1 of the First Schedule and in respect of (b) above as shown in the relevant index published last before the date as determined by the application of paragraph 2 2 of the First Schedule and in respect of (c) above as shown in the relevant index published last before the date as determined by the application of paragraph 2 3 of the First Schedule

D is Inflation as shown in the relevant index published last before 28 February 2019

and the Inflation Increase will be equal to A minus B in respect of each of the payments due

2 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.

2.8. 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

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

(a) 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

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

(c) to repay to the Owner (here meaning the party or person who shall have actually paid such sum) such amount of the Public Realm Contribution and the Affordable Housing Contribution which have not been expended excluding any such sums in respect of which though not yet expended the Council has contractually committed to expend in accordance with the provisions of this Agreement within 10 (ten) years of the Commencement Date or date of receipt by the Council of such payment (and where payment is made by instalments the date of receipt shall be deemed to be the date upon which the last instalment is received), whichever is the later, together with interest at the Bank of England base rate from time to time from the date of expiration of this ten year period (the "Retention Period") to the date of refund

(d) Upon receipt by the Council of a written request from the Owner received within the final year of the Retention Period to provide a written statement summarising what the sums received have been spent on and detailing any sums remaining unexpended within 21 days of the Council's receipt of such a request provided that the number of such requests shall not exceed four.

2 10 No person who is not a party to this Agreement may enforce any terms hereof pursuant to the Contracts (Rights of Third Parties) Act 1999 provided that this clause shall not affect any right of action of any person to whom this Agreement has been lawfully assigned or becomes vested in law

2.11. 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.

2 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

2.13 Nothing in this Agreement prohibits or limits the right to develop any part of the Land in accordance with a planning permission, other than the Planning Permission, granted after the date of this Agreement, whether or not pursuant to an appeal.

2 14 The Owner agrees with the Council to give the Council written notice within ten Working Days 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 a company) together with the area of the Land or unit of occupation purchased by reference to a plan provided that no notice shall be given in respect of disposals of the nature listed in clause 2.18 (a) to (d) save that in respect of disposals of Dwellings notice shall be given of the first Occupation and the points at which 80 (eighty) and 126 (one hundred and twenty six) Dwellings have been Occupied.

2 15 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

2 16. This Agreement shall be governed by and interpreted in accordance with the laws of England The courts of England shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Agreement or its subject matter or formation.

2.17

(a) This Agreement shall cease to have effect (insofar only as it has not already been complied with) if the Planning Permission shall be quashed, revoked or otherwise withdrawn or (without the consent of the Owner) it is modified by any statutory procedure or expires prior to the Commencement of Development

(b) Where this Agreement ceases to have effect pursuant to clause 2.17 (a) the Council shall forthwith remove all entries relating to it from the Register of Local Land Charges and the Land Registry.

2 18 This Agreement shall not be enforceable against

(a) owner-occupiers or tenants of Dwellings or the owner-occupiers or tenants of the Non-Residential Units constructed pursuant to the Planning Permission nor against those deriving title from them,

(b) any statutory undertaker or other person who acquires any part of the Land or any interest in it for the purposes of the supply of electricity, gas, water, drainage, telecommunication services or public transport services,

(c) any bona fide management company that takes a transfer or lease of the whole or part of the Public Realm Strip (whether alone or with any other part(s) of the Land intended to be used as part of the public realm) which is proposed to be used as part of the public realm,

(d) any person once they have parted with their interest in the Land or that part of the Land to which any breach relates save in respect of any antecedent breaches which occurred before such person parted with their interest in the Land save that this clause 2 18 (d) shall only apply to an Owner of the Land or any part of it that acquires the Land or any part of it following the Occupation of 126 (one hundred and twenty six) of the Dwellings

2 19 This Agreement shall be registered in the Council's Register of Local Land Charges immediately on completion hereof.

2 20

2.20.1 The Mortgagee consents to this Agreement being entered into with the intention that its interest in the Land in the form of its charge details of which are recited in Recital C will be bound by the terms of this Agreement as if this Agreement had been executed and registered as a local land charge before the execution of its charge

2.20 2 Notwithstanding clause 2 20 1 the Mortgagee will not incur any personal liability for any breach of the obligations contained in this Agreement unless and until it becomes a mortgagee in possession of the Land or any part of it

2.21. If any sum payable to the Council 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 Barclays Bank plc base rate from time to time in force and such amount shall be recoverable by action as a liquidated sum.

2 22 The Council will upon the written request of the Owner at any time after any of the Planning Obligations under this Agreement have been fulfilled promptly issue written confirmation thereof and after all of the Planning Obligations have been fulfilled or determined promptly issue written confirmation thereof and thereafter cancel all entries in the Register of Local Land Charges relating to this Agreement and the First Planning Agreement and at the Land Registry

2 23 The Council pursuant to the planning obligation contained in paragraph 2 of the First Planning Agreement as varied by the Deeds of Variation has received a sum equivalent to the Public Realm Contribution and £150,000 towards the Initial Affordable Housing Contribution (the "First Contribution") In lieu of the requirement to pay the sum set out in paragraph 2 1 of the First Schedule of this Agreement the Council accepts the First Contribution received.

2 24 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 in writing by the Council to the Owner from time to time Planning and Building Control Department, Ref 138031/JO/2023, Manchester City Council, PO Box 532, Town Hall, Manchester, M60 2LA.

2 25 Where this Agreement requires any notice or notification to be given or served or sent by the Owner, it may be served by properly addressing, pre-paying and posting a letter containing the notice or notification by Royal Mail Signed For first class post and the said notice or notification shall be deemed to be received the Working Day next after despatch

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.

FIRST SCHEDULE
THE PLANNING OBLIGATIONS

The Owner covenants with the Council

1 to serve the Commencement Notice;

2.

2 1 not to Commence Development, nor to allow nor to permit the same, until it has paid to the Council on or before the Commencement Date the Public Realm Contribution together with any Inflation Increase and £150,000 (one hundred and fifty thousand pounds) towards the Affordable Housing Contribution together with any Inflation Increase,

2.2 to pay to the Council a second payment of £150,000 (one hundred and fifty thousand pounds) towards the Affordable Housing Contribution together with any Inflation Increase (the "Second Payment") on Occupation of 80 (eighty) of the Dwellings and not to Occupy, allow or permit to be Occupied more than 80 (eighty) of the Dwellings before payment of the Second Payment;

2.3 to pay to the Council the final payment of £150,000 (one hundred and fifty thousand pounds) of the Affordable Housing Contribution together with any Inflation Increase (the "Third Payment") on Occupation of 126 (one hundred and twenty six) of the Dwellings and not to Occupy, allow or permit to be Occupied more than 126 (one hundred and twenty six) of the Dwellings before payment of the Third Payment,

2 4 to notify the Council in writing 4 weeks before each date of the anticipated dates of the Occupation of 80 (eighty) and 126 (one hundred and twenty six) of the Dwellings and to notify the Council in writing of each date when the Occupation of 80 (eighty) and 126 (one hundred and twenty six) of the Dwellings has occurred within 5 Working Days of those dates,

SECOND SCHEDULE

The Council covenants with the Owner

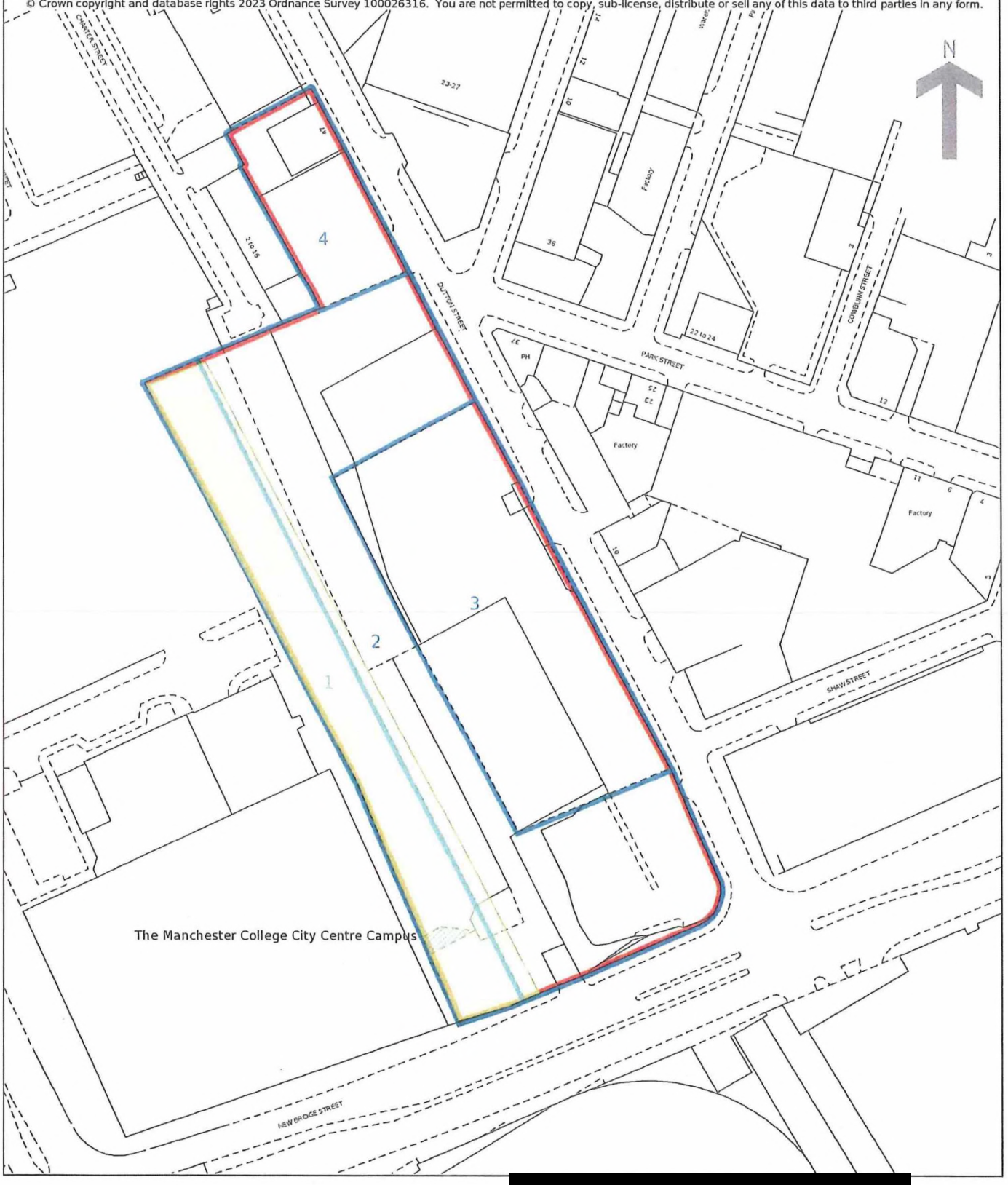
a that all sums received by the Council pursuant to this Agreement for the provision of Affordable Housing shall be applied in such manner as the Council in its absolute discretion considers appropriate for the provision of Affordable Housing within the Administrative Boundaries of Manchester,

b that the Public Realm Contribution shall be a contribution towards improvements solely within the New Bridge Street area adjacent to the Land and in particular towards the cost of providing a controlled pedestrian crossing point and highway, pedestrian and environmental improvements and for the purpose of any other costs and expenses in connection with or incidental to the same Provided That any part of the Public Realm Contribution that remains unspent on completion of the works referred to in this paragraph may in addition to the Affordable Housing Contribution be applied towards the provision of Affordable Housing within the Administrative Boundaries of Manchester

HM Land Registry
Official copy of title plan

Title number **MAN425290**
Ordnance Survey map reference **SJ8399SE**
Scale **1:1250**
Administrative area **Greater Manchester : Manchester**

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[redacted]

This official copy is incomplete without the preceding notes page.

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 [redacted]

01123387

EXECUTED AS A DEED by SALBOY (SPV CO 4) LIMITED

acting by a director [redacted]

DIRECTOR

Signature: .....

Name: (in block capitals) ..... JOANNE ISMAIL .....

IN THE PRESENCE OF [redacted]

Signature: .....

Name (in block capitals) ..... HARRY HUTTON .....

Address ..... [redacted] .....

....

Occupation ..... OFFICE STAFF .....

SIGNED for and on behalf of [redacted]

Apex Group Hold Co (UK) Limited)

Peter David Malcolm

Authorised Signatory

IN THE PRESENCE OF [redacted]

Signature:

Name (in block capitals) ..... Mark Bennett .....

Address ..... Senior Trust Manager
Apex Corporate Trustees (UK) Limited
6th Floor, 125 London Wall
London EC2Y 5AS .....

Occupation .....