

DATED _____ 2026

THE COUNCIL OF THE CITY OF MANCHESTER

– and –

MREF III MANCHESTER PROPERTY S.À.R.L.

– and –

ELLESMERE MANCHESTER OPERATIONS LIMITED

– and –

MÜNCHENER HYPOTHEKENBANK EG

AGREEMENT

**pursuant to section 106 of the Town and
Country Planning Act 1990 (as amended)
relating to land known as The Trilogy, Ellesmere Street, Manchester**

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

THIS AGREEMENT is made the

day of

2026

BETWEEN:

- (1) **THE COUNCIL OF THE CITY OF MANCHESTER** of Town Hall, Albert Square, Manchester, M60 2LA (the “**Council**”); and
- (2) **MREF III MANCHESTER PROPERTY S.À.R.L.** a private limited company (société à responsabilité limitée) incorporated under Luxembourg law, registered in Luxembourg with registration number B202230 and registered in the UK with registration number OE017021, whose registered address is situated at 28 Boulevard F.W.Raiffeisen, Luxembourg, Luxembourg, L-2411 [(the “**First Owner**”).
- (3) **ELLESMERE MANCHESTER OPERATIONS LIMITED** (the “**Second Owner**”)
- (4) **MÜNCHENER HYPOTHEKENBANK EG** (the “**Mortgagee**”)

BACKGROUND

- A The Council is the local planning authority for the purposes of the Act in relation to the Site and is the authority by whom the obligations hereby created are enforceable. The Council is also the freehold owner of part of the Site registered at the Land Registry with title absolute under title number GM880709 together with but subject to all matters contained or referred to in the title registers thereunder but is not entering into this Agreement. The Development will be carried out on the Site and adjacent land. The Site is situated within the Administrative Boundaries of Manchester and this planning obligation is enforceable by the Council.
- B The First Owner is the leasehold owner of part of the Site registered at the Land Registry with title absolute under title number MAN275376 together with but subject to all matters contained or referred to in the title registers thereunder.
- C The Second Owner is the leasehold owner of part of the Site registered at the Land Registry with title absolute under title number MAN357460 together with but subject to all matters contained or referred to in the title registers thereunder.
- D The Mortgagee is interested in the site by virtue of the Legal Charges.
- E The Application was submitted 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.
- F The Council as local planning authority is satisfied that the Development is such as may be approved by the Council under the Act and is minded to grant planning permission for the Development in accordance with the Application but having considered the Local Plan and the Regulations is desirous of the Owner entering into this Agreement without which planning permission would not be granted.

- G The Owners have agreed to enter into this Agreement in support of the Application so as to create planning obligations in favour of the Council pursuant to section 106 of the Act and to be bound by and observe and perform the covenants hereinafter contained.
- H Paragraph 13 of Schedule 7A of the Act (as defined herein) sets out that every planning permission granted for the development of land in England shall be deemed to have been granted subject to a biodiversity gain condition requiring the development to achieve ten (10) per cent biodiversity value. This Agreement includes provisions related to that requirement.
- I The planning purpose of this Agreement is to improve the amenity of land in the locality of the Site with benefit for the 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. The Council is satisfied that the obligations in this Agreement are those required by the regulation 122 of the Regulations;
- (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

AGREED TERMS

DEFINITIONS AND INTERPRETATION

1.1 The definitions and rules of interpretation set out in this Clause apply to this Agreement. **“Act”** the Town and Country Planning Act 1990 as amended by the Planning and Compensation Act 1991 and the Planning and Compulsory Purchase Act 2004 and the Planning Act 2008;

“Administrative Boundaries of Manchester” all the wards that together comprise the city of Manchester;

“Agreement” shall mean this agreement;

“Application” the application to which the Council gave the reference 144487/FO/2025 for the demolition of structures and erection of a ground and first floor extension, an additional storey to Block A to deliver 8no. additional apartments (Use Class C3), alterations to the internal courtyard to include 3no. work from home pods and a multi use pod, associated landscaping and boundary treatment;

“Biodiversity Gain Condition” means the condition deemed to have been included in the Planning Permission by Paragraph 13 of Schedule 7A of the Act requiring the development to achieve a net gain of 10 (ten) per cent of biodiversity value;

“Biodiversity Gain Land Monitoring Contribution” means the sum of £3,995.00 (three thousand nine hundred and ninety-five) Index Linked to be paid by the Owner to the Council under Paragraph 2

of Schedule 3 of this Agreement to be applied by the Council as a financial contribution towards the Council's costs of monitoring compliance with the HMMP;

"Commencement of Development" the date upon which the Development shall begin by the carrying out of a material operation in accordance with the provisions of section 56(4) of the Act PROVIDED THAT any works of or associated with site clearance, remediation works, environmental or archaeological investigations, site and soil surveys, erections of contractors work compound, erection of site office, erection of fencing to site boundaries, marking of site boundaries and laying out of access roads and services shall for the purposes of the agreement be deemed not to be material operations and **"Commence"**, **"Commencement"** and **"Commenced"** shall be construed accordingly. Commencement will be deemed to have taken place whether it takes place on the Site or on the land adjacent to the Site;

"Commercial Unit" means any commercial (Use Class E) unit to be constructed on the Site as part of the Development pursuant to the Planning Permission;

"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" the development undertaken on the Site and adjacent land pursuant to the Planning Permission as specified in the Application and **"Developed"** shall be construed accordingly;

"Dwelling" a unit of residential accommodation to be constructed on the Site as part of the Development pursuant to the Planning Permission and **"Dwellings"** shall be construed accordingly;

"Expert" a professional expert in town planning, who is a Chartered Member of the Royal Town Planning Institute with a minimum of ten (10) years post-qualification experience;

"Habitat Management and Monitoring Plan" or **"HMMP"** means the document which provides a description of the plan the Owner will implement in order to manage and monitor on-site biodiversity gain for a continuous period of thirty (30) years as required by the Biodiversity Gain Condition of the Planning Permission and approved by the Council;

"Interest" interest at 4% (four per cent) above the base lending rate of the Bank of England from time to time;

"Index Linked" adjusted on an annual basis or pro rata per diem from the date of this Agreement to the relevant date of payment in accordance with the Retail Price Index and **"Index Linking"** shall be construed accordingly;

"Legal Charges" the charges registered against the titles comprising the Site dated 17 June 2022.

“Local Plan” includes the Core Strategy adopted by Manchester City Council on 11 July 2012, the extant Unitary Development Plan policies and all other relevant strategic planning documents adopted by Manchester City Council;

“Owners” the First Owner and the Second Owner;

“Plan” the plan attached to the Agreement at Schedule 1;

“Planning Permission” the planning permission granted pursuant to the Application substantially in the form as appended at Schedule 2 and as may be amended by any non-material amendment;

“Regulations” the Community Infrastructure Levy Regulations 2010;

“Site” the property described in Schedule 1 and shown for the purposes of identification only edged red on the Plan; and

“Working Day” means any day except Saturday, Sunday or a bank holiday and reference to “Working Days” shall be construed accordingly.

1.2 The Clause headings do not affect this interpretation.

1.3 Unless otherwise indicated, references to Clauses and Schedules are to Clauses of and Schedules to this Agreement and references in a Schedule to a Part or Paragraph are to a Part or Paragraph of that Schedule.

1.4 References to any statute or statutory provision include reference to:

1.4.1 all Acts of Parliament and all other legislation having legal effect in the United Kingdom as directly or indirectly amended, consolidated, extended, replaced or re-enacted by any subsequent legislation; and

1.4.2 any orders, regulations, instruments or other subordinate legislation made under that statute or statutory provision.

1.5 Except for the provisions of Clause 9 references to the Site include any part of it.

1.6 References to any party in this Agreement include the successors in title of that party. In addition, references to the Council include any successor local planning authority exercising planning powers under the Act and any successor local highway authority exercising powers under the Highways Act 1980.

1.7 **“Including”** means **“including, without limitation”**.

1.8 Any covenant by the Owners or the Council not to do any act or thing includes a covenant not to permit or allow the doing of that act or thing.

1.9 If any provision is held to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remainder of this Agreement is to be unaffected.

1.10 Words importing the singular meaning where the context so admits include the plural meaning and vice versa.

1.11 Words of the masculine gender include the feminine and neuter genders and words denoting actual persons include companies, corporations and firms and all such words shall be construed interchangeable in that manner.

2 PLANNING OBLIGATION

This Agreement is made pursuant to section 106 of the Act, section 111 of the Local Government Act 1972, section 1 of the Localism Act 2011 and all other enabling legislation and is a planning obligation for the purposes of section 106 of the Act, with the intent that covenants hereinafter contained shall be enforceable by the Council acting under the powers contained in section 106 or such other enabling powers against the Owners.

3 CONDITION PRECEDENT

3.1 This Agreement is conditional upon the grant of the Planning Permission and Commencement of Development save for the provisions of this Clause and Clauses 9, 11, 15, 17, 18 and 19 which shall have immediate effect.

4 CONDITION SUBSEQUENT

If the Planning Permission for the Development has not been implemented by the carrying out of a material operation in accordance with the provisions of sections 56, 91 and 93 of the Act or is revoked or modified in whole or in part (other than in approval of an application by or on behalf of either of the Owners) or quashed or declared unlawful as a result of legal proceedings then this Agreement shall absolutely determine and become null and void but without prejudice to the rights of either party against the other in respect of any antecedent breach.

5 THE OWNERS' COVENANTS

5.1 The Owners on behalf of themselves and any person deriving title to any part of the Site from the Owners hereafter hereby covenants with the Council so as to bind the Site to fully observe and perform the obligations on his part contained in this Agreement including those obligations set out in Schedule 3 and hereby agrees that the Site shall be permanently subject to the obligations, restrictions and provisions specified herein, such obligations being planning obligations for the purpose of section 106 of the Act.

6 THE COUNCIL'S COVENANTS

The Council hereby covenants with the Owners to observe and perform the obligations on its part in this Agreement including those obligations set out in the Schedule 4.

7 DISPUTE RESOLUTION

7.1 In the event of any dispute arising in connection with any of the terms of this Agreement other than a dispute involving the construction or interpretation of the terms of this Agreement or the enforcement of any decision pursuant to this Clause, the same shall unless the Council and the Owners otherwise agree be referred to an Expert to be appointed by agreement between the Council and the Owners.

7.2 If the Council and the Owners are unable to agree on the appointment of an Expert within thirty (30) days of one party serving notice on the other calling for the appointment of an Expert, then an Expert shall be appointed on the application of either party to the President for the time being of the Royal Town Planning Institute.

7.3 Any reference of a dispute to an Expert or shall if the parties are agreed in writing be deemed to be a reference to an Expert (and not to an arbitrator) whose decision shall be final and binding (save for manifest error) but shall otherwise be deemed to be a reference to an arbitrator pursuant to the Arbitration Act 1996 and any statutory amendment variation substitution or re-enactment thereof.

7.4 Any party to this Agreement shall be entitled to submit to the Expert representations and cross-representations with such supporting evidence as they shall respectively consider necessary and the Expert shall have regard thereto in making his decision which shall be delivered in writing. The reference of any dispute shall include authority to determine in what manner all the costs of the referral shall be paid.

8 WAIVER

No waiver (whether expressed or implied) by the Council of any breach or default in performing or observing any of the covenants terms or conditions of this Agreement shall constitute a continuing waiver and no such waiver shall prevent the Council from enforcing any of the relevant terms or conditions or from acting upon any subsequent breach or default.

9 CHANGE IN OWNERSHIP & LIABILITY

9.1 The Owners agree with the Council to give the Council immediate written notice of any change in ownership of any of its interest in the Site occurring before all the 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 (unless the purchase relates to the entirety of the Site) the area of the Site or unit of occupation purchased by reference to a plan.

9.2 No person shall be liable for any breach, non performance and non observance of the covenants, obligations and restrictions contained in this Agreement after it shall have parted with its entire interest in the Site (or in the event of a disposal of part against the part disposed of) but without prejudice to liability for any subsisting breach arising prior to parting with such interest nor shall this hinder or preclude the Council's rights as the Local Planning Authority to require that the breach, non performance or non observance be remedied after that person has parted with its interest in the Site.

9.3 The obligations contained in this Agreement shall not be binding on:

9.3.1 Any tenant, owner, occupier, mortgagee, and/or chargee of a Dwelling and their successors in title;

9.3.2 Any tenant, owner, occupier, mortgagee, and/or chargee of a Commercial Unit and their successors in title; and

9.3.3 Any statutory undertaker who acquires any part of the Site for the purpose of its statutory undertaking.

10 COUNCIL'S CONSENT OR APPROVAL

Where in this Agreement the consent, agreement or approval of the Council is required to be given by the Council, the Council confirms that such consent, agreement or approval shall not be unreasonably withheld or delayed provided that this shall not fetter the proper discretion of the Council.

11 LOCAL LAND CHARGE ENTRY

11.1 This Agreement is a Local Land Charge and shall be registered as such by the Council.

11.2 The Council will upon receipt of a written request of the Owners or their successors in title, at any time after the obligations set out herein have been fulfilled in their entirety, issue written confirmation thereon and thereafter cancel all related entries in the register of local land charges.

12 NON-PROHIBITION ON DEVELOPMENT

Nothing in this Agreement shall prohibit or limit the right to develop any part of the Site in accordance with a planning permission (other than the Planning Permission granted (whether or not on appeal) after the date of this Agreement.

13 THE CONTRACTS ACT

Save as provided in respect of the successors in title to the Site or any successor to the relevant statutory functions of the Council this Agreement shall not be enforceable by any third party pursuant to the Contracts (Rights of Third Parties) Act 1999 and no third party shall acquire any benefit rights or claims whatsoever pursuant thereto.

14 COMMUNICATION

14.1 Any notice or document to be served on or sent pursuant to this Agreement shall either be delivered personally or sent by recorded delivery service or sent by email to the email address of the relevant party and in all other respects compliant with clause 14.3:

14.1.1 to the Council and addressed to the City Solicitor at the Council's address first above written; and

14.1.2 to the First Owner at Barings Real Estate, 20 Old Bailey, London, EC4M 7AN;

14.1.3 to the Second Owner at....

14.1.4 [and the Mortgagee] respectively at their last known addresses;

14.1.5 By email address at

14.2 Any notice or other communication given in accordance with Clause 14.1 will be deemed to have been received:

14.2.1 if delivered by hand, on signature of a delivery receipt or at the time the notice or document is left at the address provided that, if delivery occurs:

14.2.2 before 9.00 am on a Working Day, the notice will be deemed to have been received at 9.00 am on that day; and

14.2.3 if delivery occurs after 5.00 pm on a Working Day, or on a day which is not a Working Day, the notice will be deemed to have been received at 9.00 am on the next Working Day; or

14.2.4 if sent by pre-paid first-class post or other next working day delivery service, at 9.00 am on the second Working Day after posting.

14.3 For the purposes of delivering a notice via email the First Owner's email address is reequityfinance@barings.com and a written notice sent to this email address must also include:

- i. in the subject line to the email message, words which identify the contents of the email message as a formal notice provided pursuant to this agreement; and
- ii. as an attachment to the email message, a pdf document containing the notice.

14.4 This Clause 14 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

15 FEES

15.1 The Owners shall pay forthwith to the Council its legal fees reasonably and properly incurred in preparation of this agreement.

15.2 Receipt by the Council of the payment of such sum shall not create any lawyer-client type contractual relationship between the Council and the Owners nor absolve the Owners from any liability or obligation imposed upon them by the terms of this Agreement or by statute or at common law.

16. INTEREST

If any payment due under this Agreement is paid late Interest will be payable from the date payment is due to the date that payment is received.

17. JURISDICTION

This Agreement is governed by and interpreted in accordance with the law of England.

18 COMPLETION

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. WARRANTY AS TO TITLE

The Owners hereby warrants to the Council that the title details recited in this Agreement are complete and accurate in every respect and no other person has a legal or equitable interest in the Site. and hereby indemnifies the Council in respect of any loss that arises should there be any breach of this warranty.

20. MORTGAGEE

20.1 The Mortgagee consents to this Agreement being entered into with the intention that its interest in the Site in the form of the Legal Charge 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 the Legal Charge.

20.2 Notwithstanding Clause 20.1, the Mortgagee will not incur any liability for any breach of the obligations contained in this Agreement unless and until they become a mortgagee in possession of the Site or any part of it.

20.3 The provisions of this Clause 20 shall extend to and endure for the benefit of any future chargee or mortgagee of the Site or any part thereof from time to time as if such future chargee or mortgagee were named as a party to the Agreement.

21. FUTURE VARIATIONS

21.1 In the event that any new planning permission is granted by the Council varying or removing conditions attached to the Planning Permission pursuant to section 73 of the Act, with effect from the date that any new planning permission is granted pursuant to section 73 of the Act in respect of the Site:

21.1.1 the obligations in this Agreement shall (in addition to continuing to bind the Development) relate to and bind all subsequent planning permissions without the automatic need to enter into any subsequent deed of variation or new agreement pursuant to section 106 of the Act; and

21.1.2 the definitions of Planning Permission and Development in this Agreement shall be construed to include references to any planning permissions granted under section 73 of the Act and the development permitted by such subsequent planning permission.

21.2 Notwithstanding Clause 21.1:

21.2.1 nothing shall fetter the discretion of the Council in determining any application pursuant to section 73 of the Act and requiring appropriate planning obligations in connection with the determination of that application; and

21.2.2 the Council reserves the right to require the completion of a separate planning obligation under section 106 of the Act in connection with an application pursuant to section 73 of the Act.

EXECUTED as a deed by the parties on the day and year first hereinbefore appearing.

SCHEDULE 1

The Site

Land at The Trilogy, Ellesmere Street, Manchester and shown for the purposes of identification only edged red on the Plan.

SCHEDULE 2

Draft Planning Permission

SCHEDULE 3

THE OWNERS' GENERAL COVENANTS

The Owners hereby covenants with the Council as follows:

1. To notify the Council in writing within 5 (five) Working Days of Commencement of Development.
2. To pay the Biodiversity Gain Land Monitoring Contribution to the Council on Commencement of Development.

SCHEDULE 4

The COUNCIL'S COVENANTS

The Council hereby covenants with the Owners as follows:

1. To use the Biodiversity Gain Land Monitoring Contribution for the purpose which it was paid and for no other purpose.
2. To issue the Planning Permission within two (2) Working Days of the date hereof.

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

[OWNER EXECUTION BLOCK]

AUTHORISED SIGNATORY

Signed for and on behalf of MREF III Manchester Property S.À.R.L. (**B202230**)

6, RUE Eugene Ruppert, L-2453 Luxembourg.

