



Registration of a Charge

Company name: **HIGGINS HOMES PLC**

Company number: **00843093**



X58TW3KB

Received for Electronic Filing: **10/06/2016**

Details of Charge

Date of creation: **10/06/2016**

Charge code: **0084 3093 0248**

Persons entitled: **HSBC BANK PLC**

Brief description: **ST. MARY'S VICARAGE, 18 NEASDEN LANE, LONDON, NW10 2TS IN ADMINISTRATIVE AREA BRENT WITH TITLE NUMBER NGL867218 AND STONEMASON'S YARD, 450 HIGH ROAD, LONDON, NW10 2DA IN ADMINISTRATIVE AREA BRENT WITH TITLE NUMBER NGL867218 (FOR FURTHER DETAILS, PLEASE SEE THE CHARGING INSTRUMENT).**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION**

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

STEPHENSON HARWOOD LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 843093

Charge code: 0084 3093 0248

The Registrar of Companies for England and Wales hereby certifies that a charge dated 10th June 2016 and created by HIGGINS HOMES PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 10th June 2016 .

Given at Companies House, Cardiff on 13th June 2016

The above information was communicated by electronic means and authenticated
by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED 10 June 2016

(1) HIGGINS HOMES PLC

- and -

(2) HSBC BANK PLC

LEGAL CHARGE

relating to

Land at 18 Neasden Lane and 450 High
Road, London NW10

HSBC 

HSBC Bank plc
70 Pall Mall
London
SW1Y 5EZ

THIS DEED is made on

10 June

2016

BETWEEN

- (1) **HIGGINS HOMES PLC** a company incorporated in England and Wales with Company number 00843093 whose registered office is at One Langston Road, Loughton, Essex IG10 3SD (the **Borrower**); and
- (2) **HSBC BANK PLC** (the **Lender**).

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

Affiliate means a Subsidiary of a company, a Holding Company of that company or any other Subsidiary of that Holding Company;

Hedging Agreement means any master agreement, confirmation, schedule or other agreement entered into or to be entered into by the Borrower for the purpose of hedging interest rate liabilities and/or any exchange rate or other risks in relation to all or part of the Secured Liabilities and shall include all trades conducted thereunder;

Holding Company has the meaning given in section 1159 of the Companies Act 2006;

Interest Rate means the rate of interest payable on any facility secured by the Security;

Lease means any lease, underlease, tenancy, licence or other right of occupation to which the Property is from time to time subject together with any related guarantee or other security for the performance of the lessee's obligations;

Property means all the real property specified in the schedule (*The Property*);

Receiver means a receiver and/or manager of any or all of the Borrower's assets appointed by the Lender under the Security;

Secured Liabilities means all monies from time to time due or owing and all other actual or contingent liabilities from time to time incurred by the Borrower to the Lender (including any under any Hedging Agreement);

Security means the Security Interests created or intended to be created by or pursuant to this Deed;

Security Assets means all the Borrower's assets from time to time the subject of Security;

Security Interest means a mortgage, charge, assignment, pledge, lien, standard security, assignation or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect; and

Subsidiary has the meaning given in section 1159 of the Companies Act 2006.

1.2 Construction

- (a) Unless a contrary indication appears, any reference in this Deed to:
 - (i) **assets** includes present and future properties, revenues and rights of every description;
 - (ii) **the Lender** shall be construed to include its successors in title, permitted assigns and permitted transferees;
 - (iii) **a disposal** includes a lease, licence, transfer, sale or other disposal of any kind;
 - (iv) **includes or including** shall be read and construed as including the phrase **without limitation**;
 - (v) **this Deed or any other agreement or instrument** is a reference to this Deed, or other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the Borrower's obligations or provides for further advances);
 - (vi) **a provision of law** is a reference to that provision as amended or re-enacted;
 - (vii) **the singular** includes the plural and vice versa.
 - (viii) **any real property** includes:
 - (A) **all or any part of it**;
 - (B) **all buildings, fixtures (including trade fixtures), fittings and fixed plant or machinery at any time on that property**;
 - (C) **all easements, servitudes, rights and agreements in respect of that property**;
 - (D) **all rents from and proceeds of sale of that property**; and
 - (E) **the benefit of all covenants given in respect of that property**.
- (b) When any provision of this Deed refers to an approval or consent by the Lender that provision shall be construed so as to require that consent or approval to be given in writing.
- (c) References to clauses and paragraphs are to be construed, unless otherwise stated, as references to clauses and paragraphs of this Deed.
- (d) Clause headings are for ease of reference only and shall not affect the construction of this Deed.
- (e) If the Lender reasonably considers that an amount paid by the Borrower is capable of being avoided or otherwise set aside on the bankruptcy, liquidation or administration of the Borrower, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.

1.3 Third party rights

Only a Receiver has any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

1.4 Law of Property (Miscellaneous Provisions) Act 1989

The terms of all other documents entered into between the Borrower and the Lender are incorporated in this Deed to the extent required to ensure that any disposition of the Property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.5 Delivery

The parties intend this Deed to be delivered on the first date specified on page 1 of this Deed and that this document shall take effect as a deed notwithstanding the fact that the Lender may only execute this document under hand.

2. COVENANT TO PAY

2.1 Covenant to pay

The Borrower shall pay or discharge each of the Secured Liabilities when the same fall due for payment.

2.2 Further advances

This Deed is made to secure any further advances or other facilities but it does not create any obligation on the Lender to make any further advances or make other facilities available.

2.3 Default interest

- (a) Any amount which is not paid under this Deed when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full on a daily basis at the rate that is two per cent above the Interest Rate from time to time.
- (b) Default interest will accrue from day to day on a year of 365 days and will be compounded at such intervals as the Lender considers are appropriate.

3. NATURE OF SECURITY

All Security and dispositions created or made by or pursuant to this Deed are created or made in favour of the Lender with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 as security for the discharge of the Secured Liabilities.

4. GRANT OF SECURITY

4.1 Charges

The Borrower charges and agrees to charge in favour of the Lender:

- (a) by way of first legal mortgage all the Borrower's present and future right, title and interest in or to the Property;
- (b) by way of first fixed charge:
 - (i) all licences to enter upon or use land and the benefit of all other agreements relating to land;

- (ii) the proceeds of sale of the Property; and
- (iii) the benefit of any rental deposit given or charged to the Borrower by any occupier of the Property; and
- (c) by way of first fixed charge (insofar as not mortgaged by clause 4.1(a) or charged by clause 4.1(b)):
 - (i) all present and future rents and other sums due to the Borrower under any Lease;
 - (ii) all plant and machinery and the benefit of all contracts, licences and warranties relating to the same.

4.2 Security assignments

- (a) The Borrower assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) all of its present and future right, title and interest in and to:
 - (i) (to the extent not mortgaged or charged by clause 4.1 (*Charges*)) all present and future rents and other sums due to the Borrower under any Lease;
 - (ii) all insurance policies relating to the Property; claims under those insurance policies and all proceeds of those claims under the insurance policies;
 - (iii) all present and future book debts and other debts, royalties, fees, VAT and monetary claims and all other amounts at any time recoverable or receivable by the Borrower or due or owing to it in respect of the Property (whether actual or contingent and whether arising under contract or in any other manner whatsoever);
 - (iv) the benefit of all rights, guarantees, Security Interests and remedies relating to any of the foregoing; and
 - (v) all proceeds of any of the foregoing not otherwise assigned under this clause 4.2.
- (b) To the extent that any right referred to in clause 4.2(a) is not assignable, the assignment which that clause purports to effect shall operate as an assignment of all the Borrower's present and future rights and claims to any proceeds of such rights.

4.3 Notice of Security

- (a) The Borrower must give notice of the grant of the Security to:
 - (i) each tenant under a Lease;
 - (ii) each insurer under any insurance policy in which it has an interest,
 and it shall use its reasonable endeavours to procure that the recipient of each notice acknowledges it in writing.
- (b) A notice pursuant to clause 4.3(a) must be given:
 - (i) immediately in respect of each Lease and insurance policy in existence at the date of this Deed; and

- (ii) promptly after the entry into a new Lease or insurance policy after the date of this Deed.

4.4 Preservation of assets

The Lender is not obliged to take any steps necessary to preserve any of the Borrower's assets, to enforce any term of any contract or to make any enquiries as to the nature or sufficiency of any payment received by it pursuant to this Deed.

5. REPRESENTATIONS

5.1 General

The Borrower makes the representations and warranties set out in this clause 5 (*Representations*) to the Lender on the date of this Deed and on each day the Secured Liabilities are outstanding.

5.2 Status

If the Borrower is a company it is a limited liability corporation duly incorporated and validly existing under the law of its jurisdiction of incorporation. The Borrower has the power to own its assets and carry on its business as it is being conducted.

5.3 Binding obligations

- (a) The Borrower's obligations in this Deed are legal, valid, binding and enforceable obligations.
- (b) The Security Interests which this Deed purports to create are valid and effective and are not liable to be avoided or otherwise set aside on the Borrower's bankruptcy, liquidation, death or administration.

5.4 Non-conflict with other obligations

The entry into and performance by the Borrower of its obligations under this Deed and the granting of the Security do not and will not conflict with:

- (a) any law or regulation applicable to it;
- (b) (if the Borrower is not an individual) its constitutional documents; or
- (c) any agreement or instrument binding upon the Borrower or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument.

5.5 Power and authority

- (a) The Borrower has the power to enter into, perform and deliver, and have taken all necessary action to authorise its entry into, performance and delivery of, this Deed and the grant of the Security.
- (b) No limit on the Borrower's powers will be exceeded as a result of the grant of the Security.

5.6 Validity and admissibility in evidence

All authorisations, consents, approvals, resolutions, licences, exemptions, filings, notarisations and registrations required or desirable to enable the Borrower lawfully to enter into, and comply with its

obligations under this Deed and to grant the Security have been obtained or effected and are in full force and effect.

5.7 Solvency

As at the date of this Deed the Borrower is able to meet its debts as they fall due and is not deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986.

5.8 Environmental Laws

- (a) In relation to the Property the Borrower is complying with any applicable law or regulation which relates to:
 - (i) the pollution or protection of the environment;
 - (ii) the conditions of the workplace; or
 - (iii) the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the environment, including, any waste.
- (b) The Borrower is not aware of any claim which has been commenced or is threatened against it in respect of any breach or alleged breach of any such laws or regulations, so far as they relate to the Property.
- (c) So far as the Borrower is aware no dangerous substance has been used, disposed of, generated, stored, dumped, released, deposited, buried or emitted at, on, from or under the Property.

5.9 Security

- (a) No Security Interest exists over the Security Assets other than as permitted by this Deed.
- (b) The Security has or will have first ranking priority and it is not subject to any prior ranking or *pari passu* ranking Security Interest.
- (c) The Borrower has a good and marketable title to and is the sole legal and beneficial owner of the Security Assets.

5.10 Centre of main interest and establishments

For the purposes of The Council of the European Union Regulation No. 1346/2000 on Insolvency Proceedings (the Regulation), the Borrower's "*centre of main interest*" (as that term is used in Article 3(1) of the Regulation) is situated in England and Wales and it has no "*establishment*" (as that term is used in Article 2(h) of the Regulation) in any other jurisdiction.

6. GENERAL UNDERTAKINGS

6.1 Negative pledge

The Borrower shall not create or permit to subsist any Security Interest over the Security Assets without the consent of the Lender.

6.2 No disposals

Unless the Lender consents, the Borrower shall not make any disposal of any Security Assets even if the disposal is involuntary.

6.3 Covenants and payments

The Borrower must:

- (a) observe and perform all covenants and other obligations and matters (whether or not contained in any agreement or other document) from time to time affecting any of the Security Assets or their use or enjoyment and on the Lender's reasonable request produce evidence to satisfy the Lender that the Borrower is complying with this obligation;
- (b) promptly inform the Lender if it becomes aware of any steps taken or proceedings commenced by any person with a view to obtaining forfeiture of or determining any lease, underlease, tenancy or licence comprised in the Security Assets;
- (c) not permit any breach of any bye-laws, other laws and regulations affecting any of the Security Assets; and
- (d) pay or procure the payment of all rents, rates, taxes, charges, assessments, impositions and other outgoings of any kind which are from time to time payable (whether by the owner or the occupier) in respect of any of the Security Assets.

6.4 Enforcement of rights

The Borrower must:

- (a) use its best endeavours to ensure prompt observance and performance of the terms of each lease under which it holds the Property by the lessor; and
- (b) use its best endeavours to enforce any rights and institute, continue or defend any proceedings relating to any of the Security Assets which the Lender may require from time to time,

in each case at the Borrower's cost.

7. INSURANCE UNDERTAKINGS

7.1 Maintenance of Insurance

- (a) The Borrower must ensure that at all times it benefits from insurance against third party and public liability risks and the Property is insured against:

- (i) loss or damage by fire, storm, tempest, flood, earthquake, lightning, explosion, impact, aircraft (other than hostile aircraft) and other aerial devices and articles dropped from them, riot, terrorism, civil commotion and malicious damage, bursting or overflowing of water tanks, apparatus or pipes, subsidence; and
- (ii) such other risks and contingencies as are insured in accordance with sound commercial practice or which the Lender may direct from time to time,

to the full reinstatement value thereof with adequate provision also being made for:

- (A) the cost of clearing the site and architects', engineers', surveyors' and other professional fees incidental thereto (together with provision for future inflation); and
 - (B) the loss of rents or prospective rents for a period of not less than three years or such other period as the Lender may direct and having regard to any potential increases in rent as a result of reviews.
- (b) The Borrower must ensure at all times that all insurance policies:
 - (i) contain a mortgagee clause whereby such insurance policy will not be vitiated or avoided as against a mortgagee or security holder in the event of or as a result of any misrepresentation, act or neglect or failure to make disclosure on the part of the insured party;
 - (ii) contain a "tenant's clause" in the following or similar terms:

"the insurance hereby effected shall not be prejudiced by any act or omission unknown to or beyond the control of the insured on the part of any tenant occupying or using the premises, provided that the insured immediately on becoming aware thereof shall give notice to the insurers and pay an additional premium if required";
 - (iii) contain terms providing that it will not be invalidated so far as the Lender is concerned for failure to pay any premium due without the insurer first giving to the Lender not less than 28 days' written notice;
 - (iv) contain terms providing that the Lender shall have no duty of disclosure to the insurance company or underwriters and have no liability to pay any unpaid premium;
 - (v) are in an amount and form acceptable to the Lender; and
 - (vi) are with an insurance company or underwriters acceptable to the Lender.
- (c) If the Lender requests the Borrower must promptly provide:
 - (i) a copy or sufficient extract of each insurance policy;
 - (ii) each premium receipt or other evidence of payment of premiums; and
 - (iii) any other information in connection with the insurance policies.
- (d) If the Lender considers that the amount insured, or the risks covered, by any insurance policy are inadequate, the Borrower must increase the amount insured by it and/or require the category of risks covered by it to be amended to such extent and in such manner as the Lender may consider appropriate.
- (e) The Borrower must:
 - (i) ensure all premiums and other monies payable under each insurance policy are paid punctually;
 - (ii) ensure that all things necessary to keep all the insurance policies in force are done promptly; and

(iii) notify the Lender of premiums paid, renewals made, material variations and cancellations of insurance policies made or, to the knowledge of the insured, threatened or pending.

- (f) The Borrower must not allow anything to be done which may make any insurance policy void or voidable.
- (g) The Borrower must at all times ensure that each insurance policy names the Lender as a co-insured and first loss payee in respect of any monies paid out in excess of £10,000.
- (h) If the Borrower does not comply the Lender may (without any obligation to do so) effect or renew any such insurance policy either in its own name, or together with the Borrower in such sum and on such terms as which the Lender may reasonably think expedient and all monies expended by the Lender will be deemed to be properly paid by the relevant person and shall be reimbursed by the Borrower on demand.

7.2 Application of insurance monies

The Borrower must apply sums received under any insurance policy as follows:

- (a) if the Borrower is required by a Lease to apply the sums in a particular way then it must do so;
- (b) otherwise the Borrower must either:
 - (i) apply the sums towards making good the loss or damage to which they relate; or
 - (ii) apply the sums towards the discharge of the Secured Liabilities.

8. PROPERTY UNDERTAKINGS

8.1 Property management

The Borrower must diligently manage or procure the management of the Property in accordance with the principles of good estate management and promptly notify the Lender of any material default by any lessee or other occupier of the Property.

8.2 Leases

In addition to the restrictions in clause 6.2 (*No disposals*) the Borrower must not:

- (a) grant any Lease;
- (b) accept any surrender of a Lease;
- (c) terminate (whether by forfeiture or otherwise) any Lease;
- (d) vary any terms of a Lease; or
- (e) waive any rights it has under any Lease,

without the Lender's prior consent and may not enter into any agreement to do so.

8.3 Works

The Borrower must ensure that no person:

- (a) demolishes any buildings or erections on the Property;

- (b) makes any structural alteration to the Property; or
- (c) removes any fixtures from the Property;

without the prior consent of the Lender.

8.4 Repair

The Borrower must:

- (a) ensure all buildings and erections from time to time upon the Property and all fittings, plant and machinery on the Property are in good and substantial repair;
- (b) when necessary replace, or procure the replacement of, the same with items of similar quality and value.

8.5 Pay outgoing

The Borrower must ensure all rates, rents, outgoing and other sums payable out of or in respect of the Property are promptly paid.

8.6 Development of Property

Without the prior consent of the Lender, the Borrower shall not:

- (a) carry out or permit to be carried out any development on the Property for which planning permission is required;
- (b) make (or permit others to make) any application for planning permission relating to the Property;
- (c) implement any planning permission relating to the Property.

8.7 Registration at the Land Registry

- (a) The Borrower must do all things to facilitate the registration of this Deed against any relevant title registered at the Land Registry.
- (b) The Borrower consents to an application being made by the Lender to the Land Registrar for the following restriction to be registered against its title to the Property in the following terms:
"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [DATE], in favour of HSBC Bank Plc referred to in the charges register".
- (c) The Borrower must not permit any other person to be registered at the Land Registry as proprietor of the Property; and
- (d) The Borrower must not create or permit to arise any interest which falls within any of the paragraphs of schedule 3 of the Land Registration Act 2002 or any interest preserved by the transitional provisions of schedule 12 of the Land Registration Act 2002 to the extent and for so long as any interest is so preserved in or over the Property.

8.8 Title documents

The Borrower must deposit with the Lender immediately all title documents, planning and statutory consents from time to time relating to the Security Assets.

8.9 Notices received

The Borrower shall:

- (a) provide to the Lender a copy of any notice or order (or any proposal for a notice or order) given, issued or made by any local or other authority relating to any of the Security Assets;
- (b) take all necessary steps to comply with that notice, order or proposal; and
- (c) make or join in making any representations which the Lender requests in respect of that notice, order or proposal.

8.10 Compensation

Any compensation received as a result of a notice, order or proposal must be held on trust for the Lender, and promptly paid to the Lender who shall apply the sums needed in discharge of the Secured Liabilities as it thinks fit.

8.11 Negotiations with local or other authority

The Borrower shall not conduct any negotiations or make any agreement with any local or other authority concerning the acquisition of the Property without the consent of the Lender.

8.12 Entry

- (a) The Lender (and anyone authorised by the Lender) may enter the Property to verify that the Borrower has performed all of its obligations under this Deed and to carry out any works.
- (b) Subject to clause 8.12(d) the right to enter shall be exercised within normal working hours upon reasonable notice and may be made with or without workmen, plant and materials.
- (c) Exercise of the right of entry shall not cause the Lender or any person authorised by it to be liable as a mortgagee in possession.
- (d) The right to entry may be made at any time without notice in the case of emergency.

9. FURTHER ASSURANCE

The Borrower shall at its own expense ensure any documents are executed and any acts and things are done which the Lender may reasonably require from time to time for:

- (a) giving effect to, perfecting or protecting the Security;
- (b) facilitating the realisation of any Security Asset;
- (c) facilitating the exercise of all powers, authorities and discretions vested in the Lender or in any Receiver; or
- (d) perfecting any Security over any assets acquired by the Borrower after the date of this Deed and relating to the Property.

10. ENFORCEMENT

10.1 Remedying defaults

The Lender or a Receiver may (but is not obliged to) take any action to remedy a failure by the Borrower to observe and perform the provisions of this Deed at the Borrower's cost.

10.2 Timing of enforcement

- (a) The Secured Liabilities are deemed to have become due on the date of this Deed.
- (b) The Security shall become enforceable on the earlier of:
 - (i) the date the Lender demands repayment of any of the Secured Liabilities;
 - (ii) the date the Borrower breaches a provision of this Deed or any document evidencing the facilities to which the Secured Liabilities relate;
 - (iii) the Borrower's request.
- (c) Neither section 93(1) nor section 103 of the Law of Property Act 1925 shall apply to this Deed.

10.3 Powers of the Lender

- (a) At any time after the Security becomes enforceable or if requested by the Borrower, the Lender may without further notice (unless required by law):
 - (i) appoint any person (or persons) to be a receiver, receiver and manager or administrative receiver of all or any part of the Security Assets and/or of the income of the Security Assets; and/or
 - (ii) appoint or apply for the appointment of any person as the Borrower's administrator (if the Borrower is a company); and/or
 - (iii) exercise all or any of the powers conferred on mortgagees by the Law of Property Act 1925 (as amended or extended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver.
- (b) The Lender is not entitled to appoint a Receiver in respect of any Security Assets which are subject to Security which (as created) was a floating charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 or anything done with a view to obtaining such a moratorium.

10.4 No liability

Neither the Lender nor any Receiver shall be liable as a mortgagee in possession or otherwise to account in relation to the Security Assets for any loss on realisation or for any other default or omission. No exercise of the right in clause 10.1 (*Remedying defaults*) shall render the Lender or a Receiver a mortgagee in possession.

11. RECEIVER

11.1 Removal and replacement

The Lender may from time to time remove any Receiver appointed by it (subject, in the case of an administrative receivership, to section 45 of the Insolvency Act 1986) and, whenever it may deem appropriate, may appoint a new Receiver in the place of any Receiver whose appointment has terminated.

11.2 Multiple Receivers

If at any time there is more than one Receiver of all or any part of the Security Assets and/or the income of the Security Assets, each Receiver shall have power to act individually (unless otherwise stated in the appointment document).

11.3 Remuneration

Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Lender (or, failing such agreement, to be fixed by the Lender).

11.4 Payment by Receiver

Only monies actually paid by a Receiver to the Lender in relation to the Secured Liabilities shall be capable of being applied by the Lender in discharge of the Secured Liabilities.

11.5 Borrower's agent

Any Receiver shall be the Borrower's agent and the Borrower shall (subject to the Companies Act 2006 and the Insolvency Act 1986) be solely responsible for his acts and defaults and for the payment of his remuneration. The Lender shall not incur any liability (either to the Borrower or to any other person) by reason of the appointment of a Receiver or for any other reason.

12. POWERS OF RECEIVER

12.1 General powers

Any Receiver shall have:

- (a) all the powers which are conferred by the Law of Property Act 1925 on mortgagees in possession and receivers appointed under that Act;
- (b) (whether or not he is an administrative receiver) all the powers which are listed in schedule 1 of the Insolvency Act 1986; and
- (c) all powers which are conferred by any other law conferring power on receivers.

12.2 Additional powers

In addition to the powers referred to in clause 12.1 (*General powers*), a Receiver shall have the following powers:

- (a) to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed;
- (b) to manage the Security Assets as he thinks fit;

- (c) to redeem any Security Interest and to borrow or raise any money and secure the payment of any money in priority to the Secured Liabilities for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;
- (d) to enter into, terminate or vary any Hedging Agreement;
- (e) to sell or concur in selling, leasing or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Law of Property Act 1925, and, without limitation:
 - (i) fixtures may be severed and sold separately from the Property containing them, without the Borrower's consent;
 - (ii) the consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party); and
 - (iii) any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;
- (f) to alter, improve, develop, complete, construct, modify, refurbish or repair any building or land and to abandon, complete or undertake or concur in the completion or undertaking (with or without modification) of any project in which the Borrower was concerned or interested before his appointment (being a project for the alteration, improvement, development, completion, construction, modification, refurbishment or repair of any building or land);
- (g) to carry out any sale, lease or other disposal of all or any part of the Security Assets by conveying, transferring, assigning or leasing the same in the Borrower's name and, for that purpose, to enter into covenants and other contractual obligations in the Borrower's name and so as to bind it;
- (h) to take any such proceedings in the Borrower's name as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed (including proceedings for recovery of rent or other monies in arrears at the date of his appointment);
- (i) to enter into or make any such agreement, arrangement or compromise as he shall think fit;
- (j) to insure, and to renew any insurances in respect of, the Security Assets as he shall think fit (or as the Lender shall direct);
- (k) to appoint and employ such managers, officers and workmen and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ any firm, partner, company or other entity with which he is associated);
- (l) to form one or more subsidiaries of the Borrower and to transfer to any such subsidiary all or any part of the Security Assets;
- (m) to operate any rent review clause in any Lease or lease under which the Property is held in respect of which he was appointed and to apply for any new or extended lease; and

- (n) to:
 - (i) give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Security Asset;
 - (ii) exercise in relation to each Security Asset all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets; and
 - (iii) use the Borrower's name for any of the above purposes.

12.3 Limitation

- (a) The Lender may in the instrument by which a Receiver is appointed limit the powers of the Receiver.
- (b) The Receiver shall be under no duty to the Borrower to exercise any power he may have and shall not incur any liability to the Borrower either by virtue of the exercise of such powers or by virtue of a failure to exercise such powers.

13. APPROPRIATION OF RECEIPTS

13.1 Application

- (a) Subject to clause 13.2 (*Suspense account*), any monies received by the Lender in respect of the Security (subject to the payment of any claims having priority to the Security, but in substitution for section 109(8) of the Law of Property Act 1925) shall be applied in the following order of priority:
 - (i) in discharging the remuneration of any Receiver and all costs, charges and expenses of and incidental to his or her appointment, together with interest on that remuneration and those costs, charges and expenses at the Interest Rate;
 - (ii) in or towards payment or discharge of the Secured Liabilities; and
 - (iii) in payment of the surplus (if any) to the Borrower or other person entitled to it.
- (b) The Lender may apply sums received towards the payment or discharge of the Secured Liabilities in reduction of any part of the Secured Liabilities in any order or manner as it thinks fit. The Lender may override any appropriation made by the Borrower.

13.2 Suspense account

Any monies received by the Lender or any Receiver may be placed in an interest bearing suspense or securities realised account and kept there for so long as the Lender considers prudent.

14. SET-OFF

- (a) The Lender may (but shall not be obliged to) set off any obligation which is due and payable by the Borrower and unpaid or any contingent obligation from the Borrower against any obligation (whether or not matured) owed by the Lender to the Borrower, regardless of the place of payment, booking branch or currency of either obligation.

- (b) If either obligation is unliquidated or unascertained, the Lender may set off in an amount estimated by it in good faith to be the amount of that obligation.

15. CURRENCY CONVERSION

All monies received or held by the Lender or any Receiver under this Deed may be converted from their existing currency into such other currency as the Lender or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Liabilities in that other currency at the Lender's spot rate of exchange.

16. NEW ACCOUNT

If the Lender receives or is deemed to be affected by notice (whether actual or constructive) of any subsequent Security Interest affecting some or all of the Security Assets or their proceeds of sale, then the Lender may open a new account for the Borrower. If it does not do so, it shall nevertheless be treated as if it had done so at the time when it received, or was deemed to have received, the notice. As from that time, any payment made to the Lender for the Borrower's account shall be credited (or be treated as having been credited) to the new account and shall not operate to reduce the amount for which the Security applies.

17. DELEGATION AND APPOINTMENT OF ATTORNEYS

17.1 Delegation

- (a) The Lender may delegate to any person or persons all or any of the powers, authorities and discretions which are exercisable under this Deed. A delegation may be made in any manner (including by power of attorney) in and on any terms (including power to sub-delegate) which the Lender thinks fit.
- (b) The Lender shall not be liable or responsible to the Borrower for any loss or damage arising from any act, default, omission or misconduct on the part of any of its delegates or sub-delegates.

17.2 Attorneys

- (a) By way of security, the Borrower irrevocably appoints the Lender, every Receiver and every delegate or sub-delegate appointed under clause 17.1 (*Delegation* separately to be its attorney on its behalf, in its name:
 - (i) to execute and do any documents, acts and things which the Borrower is required to execute and do under this Deed or any other document relating to the Secured Liabilities; and
 - (ii) to execute and do any documents, acts and things which any attorney may deem proper or desirable in exercising any powers, authorities and discretions conferred by this Deed, any other document relating to the Secured Liabilities or by law on the Lender or any Receiver.

- (b) The Borrower ratifies and confirms anything which any of its attorneys does in the proper and lawful exercise or purported exercise of all or any of the powers, authorities and discretions referred to in this clause 17.2 (*Attorneys*).

18. REDEMPTION OF PRIOR SECURITY INTERESTS

18.1 Redemption

The Lender may at any time redeem, or procure the transfer to it of, any prior Security Interest over any Security Assets at the Borrower's cost.

18.2 Costs of redemption

All principal monies, interest, costs, charges and expenses incurred in and incidental to any redemption or transfer under clause 18.1 (*Redemption*) shall be paid by the Borrower on demand, in each case together with interest calculated in the manner referred to in clause 22 (*Indemnities*).

19. RELEASES

19.1 Releases conditional

- (a) Any release, settlement, discharge, re-assignment or arrangement in respect of the Security (in this clause 19 (*Releases*), a release) made by the Lender on the faith of any assurance, security or payment shall be conditional on that assurance, security or payment not being avoided, reduced, clawed back or ordered to be repaid under any law relating to liquidation, bankruptcy or insolvency.
- (b) If any avoidance, reduction, or clawback occurs or any order is made as referred to in clause 19.1(a), then the release shall have no effect and shall not prejudice the Lender's right to enforce the Security in respect of the Secured Liabilities. As between the Borrower and the Lender, the Security shall (notwithstanding the release) be deemed to have remained at all times in effect and held by the Lender as security for the Secured Liabilities.

19.2 Retention

- (a) If and for so long as any assurance, security or payment as is mentioned in clause 19.1 (*Releases conditional*) remains in the reasonable opinion of the Lender susceptible of being avoided, reduced, clawed back or ordered to be repaid under any law relating to liquidation, bankruptcy or insolvency, the Lender may in its absolute discretion retain all or part of the Security and other rights under this Deed as security for the Secured Liabilities after they have been paid and discharged in full.
- (b) If, at any time while all or part of the Lender's rights under this Deed are so retained:
 - (i) an application is made to a competent court for a winding-up or bankruptcy order to be made in respect of the Borrower;
 - (ii) steps are taken to wind the Borrower up or make the Borrower bankrupt;
 - (iii) an application is made to a competent court for an administration order to be made in respect of the Borrower;

- (iv) a notice of intention to appoint an administrator to the Borrower is filed at court; or
 - (v) the appointment of an administrator to the Borrower takes effect,
- then the Lender may continue to retain all or part of its rights under this Deed for any further period as the Lender may determine in its absolute discretion.

20. CONTINUING SECURITY

20.1 Continuing security

The Security is continuing security and shall secure the ultimate balance of the Secured Liabilities, notwithstanding:

- (a) intermediate payment or discharge of the whole or part of the Secured Liabilities;
- (b) the Borrower's death, bankruptcy, liquidation or other incapacity or any change in its constitution, name or style;
- (c) any change in the Lender's constitution, name or style, its absorption in or amalgamation with any other person or the acquisition of all or part of its undertaking by any other person; or
- (d) any other event, matter or thing.

20.2 Additional to other rights

The Security is in addition to (and shall not merge with, otherwise prejudice or affect or be prejudiced or affected by) any other remedy, guarantee, indemnity, Security Interest or other right which may be or have been created (by the Borrower or otherwise) in favour of the Lender. Accordingly, the Borrower's liability under this Deed shall not be prejudiced or affected by, and this Deed may be enforced notwithstanding:

- (a) the existence or invalidity of all or any of those rights; or
- (b) at any time, the Lender exchanging, releasing, varying, abstaining from perfecting or enforcing or otherwise dealing or omitting to deal with all or any of those rights.

21. THIRD PARTY PROTECTION

No purchaser, mortgagee or other person dealing with the Lender or a Receiver shall be concerned:

- (a) to enquire whether any of the Secured Liabilities have become due or payable or remain unpaid or undischarged;
- (b) whether the power which the Lender or Receiver is purporting to exercise has become exercisable; or
- (c) to see to the application of any money paid to the Lender or to a Receiver.

22. INDEMNITIES

The Borrower agrees to fully indemnify the Lender and any Receiver (and in the case of legal costs and expenses on a solicitor and own client basis) on demand against all liabilities, losses, claims, actions, damages, costs and expenses incurred by, made or brought against the Lender or Receiver (or any manager or agent appointed by the Lender or Receiver):

- (a) as a result of the Borrower's failure to perform any of its obligations under this Deed;
- (b) in the exercise (or purported exercise) of any of the powers or other rights conferred by this Deed;
- (c) in respect of any costs, charges or expenses incurred in connection with clause 15 (*Currency conversion*);
- (d) in respect of the redemption of any prior Security Interest over any Security Asset under clause 18 (*Redemption of prior Security Interests*);
- (e) as a result of the Borrower's breach of any current or other obligation or matter relating to the Property; or
- (f) in respect of any other matter or thing done or omitted relating to the Security Assets,

together in each case with interest at the Interest Rate calculated on a daily basis from the date it is incurred or becomes payable to the Lender or the Receiver until the date of payment, whether before or after any judgment.

23. CALCULATIONS AND CERTIFICATES

Any certificate of or determination by the Lender specifying the amount of the Secured Liabilities is, in the absence of manifest error, conclusive evidence against the Borrower of the matters to which it relates.

24. PARTIAL INVALIDITY

All the provisions of this Deed are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

25. REMEDIES AND WAIVERS

No failure to exercise nor any delay in exercising any right or remedy under this Deed against the Borrower shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law.

26. AMENDMENTS AND WAIVERS

Any provision of this Deed may be amended only if the Borrower and the Lender agree in writing and any breach of this Deed may be waived before or after it occurs only if the Lender so agrees in writing. A waiver given or consent granted by the Lender under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

27. TRANSFER AND CONFIDENTIALITY

27.1 Transfer

- (a) The Lender may assign and/or transfer its rights and obligations under this Deed.

- (b) The Borrower shall not assign any of its rights or transfer any of its obligations under this Deed.

27.2 Confidentiality

The Lender may disclose to:

- (a) any transferee or potential transferee;
- (b) any assignee or potential assignee;
- (c) any person with (or through) whom it enters into (or may potentially enter into), whether directly or indirectly, any sub-participation in relation to or including the Secured Liabilities;
- (d) any ratings agency;
- (e) any of the officers, directors, employees, professional advisers, auditors, partners and representatives of the persons referred to in sub-clauses 27.2(a) to 27.2(d);
- (f) any of its Affiliates and to any of its or their officers, directors, employees, professional advisers, auditors, partners and representatives; and
- (g) any person to whom information is required or requested to be disclosed by any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation,

such confidential information as the Lender shall consider appropriate if any person to whom the confidential information is to be given is informed in writing of its confidential nature.

28. MANAGEMENT TIME

The Lender reserves the right to charge for its management time or other resources, which will be calculated on the basis of such reasonable daily or hourly rates as the Lender may notify to the Borrower from time to time.

29. COUNTERPARTS

This Deed may be executed in any number of counterparts, all of which, taken together, shall constitute one and the same instrument and any party may enter into this Deed by executing a counterpart.

30. NOTICES

30.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing in the English language and, unless otherwise stated, must be made by letter.

30.2 Addresses

The Lender may deliver any communication, document or notice to the Borrower relating to this Deed to its registered office, to any address to which a notice under any facility relating to the Secured Liabilities might be sent or any additional address the Borrower may notify to the Lender by not less than five business days' notice.

30.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective when it has been left at the relevant address or five business days after being deposited in the post, postage prepaid, in an envelope addressed to it at that address.
- (b) Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer identified with Lender's signature below (or any substitute department or officer as the Lender shall specify for this purpose).

31. GOVERNING LAW

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

32. ENFORCEMENT

32.1 Jurisdiction

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including disputes regarding the existence, validity or termination of this Deed, the Security Interests intended to be created by it or any non-contractual obligations arising out of or in connection with it) (a Dispute).
- (b) The Borrower agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly it will not argue to the contrary.
- (c) This clause 32.1 is for the benefit of the Lender only. The Lender may take proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

In witness whereof the Borrower has executed this Deed as a deed the year and date appearing on the first page of it.

SCHEDULE

The Property

Registered land

Address	Administrative Area	Title number
St. Marys Vicarage, 18 Neasden Lane. London (NW10 2TS)	Brent	NGL867218
Stonemason's Yard, 450 High Road. London (NW10 2DA)	Brent	NGL867225 NGL867218

SH LLP

EXECUTION PAGE

THE BORROWER

EXECUTED as a DEED by HIGGINS HOMES
PLC acting by two directors or one director and the
company secretary:

) SIGNATURE REDACTED

Director

SIGNATURE REDACTED

Director / ~~Secretary~~

THE LENDER

SIGNED for and on behalf of)

HSBC BANK plc)