



Registration of a Charge

Company name: **HARRISON HOMES (CHESHIRE) LIMITED**

Company number: **09412037**



X5HEMHM2

Received for Electronic Filing: **11/10/2016**

Details of Charge

Date of creation: **11/10/2016**

Charge code: **0941 2037 0004**

Persons entitled: **CAPITAL FUNDING TWO LIMITED**

Brief description: **OAKWOOD HALL, OAKWOOD ROAD, ROMILEY, SK6 4DX TITLE NUMBER GM91668; CYPRESS HOUSE, SOUTHACRE DRIVE, HANDFORTH, SK9 3HN, TITLE NUMBER CH647800; LAND LYING TO THE EAST OF NEWCASTLE ROADM CONGLETON, TITLE NUMBER CH572950**

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 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **DANIEL HARRISON**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9412037

Charge code: 0941 2037 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 11th October 2016 and created by HARRISON HOMES (CHESHIRE) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th October 2016 .

Given at Companies House, Cardiff on 12th October 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 11TH OCTOBER 2016

HARRISON HOMES (CHESHIRE) LIMITED

(1)

- and -

CAPITAL FUNDING TWO LIMITED

(2)

LEGAL CHARGE

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THIS LEGAL CHARGE is made the 11TH day of OCTOBER 2016

BETWEEN

- (1) **HARRISON HOMES (CHESHIRE) LIMITED** (Company Registration Number 09412037) of 3 Hawthorne Lane, Wilmslow, Cheshire, SK9 1AA (the "Mortgagor"); and
- (2) **CAPITAL FUNDING TWO LIMITED** (Company Registration Number 10367130) of Palladium House 1-4 Argyll Street, London, W1F 7LD (the "Lender")

NOW THIS DEED WITNESSETH as follows:

1. Definitions

- 1.1 In this Deed the following expressions shall, save where the context otherwise admits, have the following meanings;

"Charged Assets" means all the property and rights of the Mortgagor described in clause 3.1;

"Default Rate" means the rate specified in clause 7.2 of the Facility Letter;

"Encumbrance" means any mortgage, charge, pledge, lien, hypothecation, standard security, assignment by way of security or other security interest of any kind;

"Enforcement Date" means the date on which the Lender demands the payment and/or discharge of the Secured Obligations, or if earlier the date on which an application for an interim order is made or a petition for a bankruptcy order is presented in relation to the Mortgagor;

"Event of Default" means any of the events or circumstances described as an event of default in the Facility Letter;

"Facility Letter" means the Loan Agreement dated 11TH OCTOBER 2016 issued by the Lender and accepted by the Mortgagor for the provision of a term loan and Further Advances in the maximum sum of **£1,330,000.00 (ONE MILLION THREE HUNDRED & THIRTY THOUSAND POUNDS)**.

“Insurances” means the interests of the Mortgagor in any insurances now or hereafter in existence in relation to the Property;

“Prior Charges” means the Encumbrances, brief particulars of which are set out in Part 2 Schedule 1;

“Property” means the assets and all the buildings and structures and fixtures and attached plant and machinery described in clause 3.1(a) and references to the Property include where relevant any one or more of such assets and any part of such assets;

“Receiver” means any one or more receivers and/or managers appointed by the Lender in respect of the Mortgagor or over all or any of the Charged Assets;

“Secured Obligations” all monies, debts and liabilities of any nature from time to time due, owing or incurred by the Borrower to the Lender on any current or other account under or in connection with any present or future banking or credit facilities provided by the Lender to the Borrower..

- 1.2 The expressions “Mortgagor”, and “Lender” include, where the context admits their respective successors in title and their respective transferees and assignees.
- 1.3 Clause headings are inserted for convenience of reference and shall be ignored in the interpretation of this Deed.
- 1.4 In this Deed, unless the contract otherwise requires:
 - (a) references to clauses and the schedule are to be construed as references to the clauses of and the schedule to this Deed;
 - (b) words importing the plural shall include the singular and vice versa.
- 1.5 References to a person shall be construed as including references to an individual, firm, corporation, unincorporated body of persons or any State or agency thereof;
- 1.6 References to statutory provisions shall be construed as references to those provisions which are replaced amended or re-enacted from time to time.

- 1.7 If the Mortgagor is more than one person or entity, the expression, "Mortgagor" shall mean all of those persons or entities and any one or more of them and their respective successors and all the obligations expressed or implied in this Deed shall be joint and several obligations by such persons or entities and shall be binding on their respective successors.
- 1.8 References to this Deed, the Facility Letter or any other agreement, document, permission or consent shall be construed as a reference to this Deed, the Facility Letter or as the case may be, such other agreement, document, permission or other consent as the same may have been or may be varied, amended, supplemented or novated.
- 1.9 Unless expressly provided in this Deed or unless the context otherwise requires, words and expressions defined in the Facility Letter shall bear the same meaning in this Deed.
- 1.10 Unless expressly provided to the contrary, a person who is not a party to this Deed may not enforce any of its terms under the Contract (Rights of Third Parties) Act 1999.

2 Covenant to Pay

- 2.1 The Mortgagor hereby covenants to pay to the Lender on demand all monies and all other obligations and liabilities now or hereafter due owing or incurred by the Mortgagor to the Lender under or pursuant to the Facility Letter and/or this Deed when the same become due for payment or discharge whether by acceleration or otherwise.
- 2.2 Any amount secured by this Deed and not paid when due shall bear interest until the date of payment by the Mortgagor at the Default Rate (after as well as before any demand made or judgment obtained hereunder).

3 Charging Clause

- 3.1 The Mortgagor with full title guarantee as a continuing security for the payment or discharge of the Secured Obligations hereby charges to the Lender:
- (a) by way of second legal mortgage the property specified in Part 1 Schedule 1 and all buildings and fixtures and fittings from time to time

thereon and all additions and improvements thereto and all the estate or interest of the Mortgagor therein; and

- (b) by way of fixed charge all monies from time to time payable to the Mortgagor under or pursuant to the Insurances including, without limitation, the refund of any premiums.

- 3.2 The Lender hereby applies to the Chief Land Registrar for the registration of the following restrictions against the registered title specified in the Schedule (and against any title to any unregistered property specified in the Schedule) which is or ought to be subject of a first registration of title at HM Land Registry at the date of this Deed:

"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 [11/10/2016] in favour of Capital Funding Two Limited referred to in the Charges Register."

- 3.3 The Prior Charges shall rank, to the extent specified in Part 3 Schedule 1 together with interest thereon and costs, in priority to the Encumbrances created by this Deed as a continuing security for repayment of all monies, obligations and liabilities thereby secured. Such priority shall not be affected by any fluctuations in the amount from time to time due to the holder of the Prior Charge.

4 Mortgagor's Covenants

- 4.1 The Mortgagor hereby covenants with the Lender to comply with the covenants set out in the Schedule 2 at all times during the continuance of this security.
- 4.2 If the Mortgagor at any time defaults in complying with any of their obligations contained in this Deed, the Lender shall, without prejudice to any other rights arising as a consequence of such default, be entitled (but not bound) to make good such default and the Mortgagor hereby irrevocably authorises the Lender and any of its agents by way of security to do all things (including, without limitation entering the Property) necessary or desirable in connection therewith. Any monies so expended by the Lender shall be repayable by the Mortgagor to the Lender on demand together with interest at the Default Rate

from the date of payment by the Lender until actual date of repayment, both before and after judgement. No exercise by the Lender of its powers under this clause 4.2 shall make it liable to account as a mortgagee in possession.

5 Further Assurance

- 5.1 The Mortgagor shall if and when at any time reasonably required by the Lender execute such further mortgages charges or other encumbrances and assurances in favour of the Lender at the expense of the Mortgagor and do all such acts and things as the Lender shall from time to time require over or in relation to all or any of the Charged Assets to secure the payment and/or discharge of the Secured Obligations or to perfect or protect the security intended to be created by this Deed over the Charged Assets or any part thereof or to facilitate the realisation of the same
- 5.2 In the event of any of the events referred to in Clause 12 of the Loan Agreement occurring the Mortgagor agrees to charge to the Lender by way of equitable charge as security for any unpaid debt any real property or interest in real property which the Mortgagor owns or may own have now or in the future. The property presently vested in the Mortgagor is set out in Schedule 1 Part 4.

6 Certain Powers of the Lender: Enforcement

- 6.1 At any time on or after the Enforcement Date or if requested by the Mortgagor, the Lender may, without further notice, without the restrictions contained in section 103 Law of Property Act 1925 and whether or not a Receiver shall have been appointed, exercise all the powers conferred upon mortgagees by the Law of Property Act 1925 as varied or extended by this Deed and all the powers and discretions conferred by this Deed on a Receiver either expressly or by reference.
- 6.2 At any time on or after the Enforcement Date the Lender may exercise the powers of leasing conferred on mortgagees in possession without going into possession of the Property and make agreements for leases at a premium or otherwise accept surrenders of leases and grant options on such terms as the Lender shall consider expedient without the need to observe any of the provisions of sections 99 and 100 Law of Property Act 1925.

- 6.3 The Mortgagor hereby irrevocably authorises the Lender and any Receiver at any time after the Enforcement Date to sell or concur in selling either by private treaty or at public auction or to include in any letting all plant and machinery located on or at the Property, both present and future, then or at any time thereafter on the Property whether or not charged by or pursuant to this Deed.
- 6.4 Any sale or other disposition by the Lender or by a Receiver may be made either subject to or discharged from the Prior Charge or upon such terms as to indemnify the Bank or such Receiver may think fit. The Bank or the Receiver may settle and pass the accounts of any person in whom the Prior Charge may from time to time be vested and any accounts so settled and passed shall as between the Bank, the Receiver and the Mortgagor be deemed to be properly settled and passed and shall be binding on the Mortgagor accordingly.
- 6.5 At any time on or after the Enforcement Date, or if the holder of the Prior Charge shall take any step to enforce or demand the money thereby secured, the Lender may pay off all or any of the Prior Charge and take a transfer of the benefit thereof or redeem the same, and the money so expended by the Lender and all costs of and incidental to the transaction incurred by the Lender shall be repayable by the Mortgagor to the Lender on demand and shall bear interest at the Default Rate from the date of payment by the Lender.

7 Appointment and Powers of Receiver

- 7.1 At any time on or after the Enforcement Date or if requested by the Mortgagor, the Lender may by instrument in writing executed as a Deed or under hand of any director or other duly authorised officer appoint any person to be a Receiver of the Charged Assets or any part thereof. Where more than one Receiver is appointed each joint Receiver shall have the power to act severally, independently of the other joint Receiver except to the extent that the Lender may specify to the contrary in the appointment. The Lender may in the same manner remove any Receiver so appointed, whether or not appointing another in her place and may at the time of appointment or at any time subsequently fix the remuneration of any Receiver so appointed.

7.2 Any Receiver shall be the agent of the Mortgagor and the Mortgagor shall be solely responsible for her acts or defaults and for her remuneration.

7.3 Any Receiver shall have all the powers conferred from time to time on receivers and administrative receivers by statute (in the case of powers conferred by the Law of Property Act 1925 without the restrictions contained in Section 103 of that Act) and power on behalf and at the expense of the Mortgagor (notwithstanding the liquidation or insolvency of the Mortgagor) to do or omit to do anything which the Mortgagor could do or omit to do in relation to the Charged Assets or any part thereof. In particular (but without limitation) a Receiver shall have power to do all or any of the following acts and things:

- (a) to carry on or concur in carrying on as agent for the Mortgagor any business or activities previously carried on by the Mortgagor and/or such other business or activities as the Receiver shall in her absolute discretion think fit with the concurrence of the Lender;
- (b) to exercise any power of leasing which the Lender could have exercised if it were a mortgagee in possession;
- (c) to take possession of, collect and get in all or any part of the Charged Assets and for that purpose to take any proceedings in the name of the Mortgagor as he shall think fit;
- (d) to sell all or any part of the Charged Assets in such manner and in such terms as he shall think fit;
- (e) to take, continue or defend any proceedings and made any arrangement or compromise which the Lender or he shall think fit;
- (f) generally deal with manage develop or reconstruct the Property or any part thereof or concur in so doing including power to lease or otherwise acquire and develop or improve or carry out or complete any works or maintenance building repair or reconstruction (with power to use any machinery and incorporate in any building any unfixed materials);
- (g) make any arrangements or compromise to enter into or cancel any contracts which he shall think expedient;

- (h) to make and effect all repairs and improvements to the Property and effect, maintain, renew or increase insurances in such terms and against such risks as the Receiver shall think fit;
- (i) to appoint managers, officers and agents for any of the above purposes at such salaries as the Receiver may determine;
- (j) to do all other acts and things which he may consider to be incidental or conducive to any of the above powers;
- (k) do all of the acts and things described in Schedule 1 of the Insolvency Act 1986 as if the words "he" and "him" referred to the Receiver and "Lender" referred to the Mortgagor.

8 Application of Proceeds

8.1 Any monies collected by the Lender or by any Receiver (including the net proceeds of any sale), subject to any liabilities having priority to the Secured Obligations, shall be applied in the following manner:-

- (a) in payment of all costs, charges and expenses properly incurred by the Lender or by any Receiver in the exercise by the Lender or any Receiver of all or any of the powers conferred by this Deed including, without limitation, the remuneration of any Receiver and all outgoings and expenses properly paid by him in exercise of her powers hereunder;
- (b) in or towards payment or satisfaction of the Secured Obligations as the Lender may from time to time determine; and
- (c) in payment of any surplus to the Mortgagor or any other person entitled thereto.

8.2. Subject to the Prior Charge, all monies receivable by virtue of any Insurances shall be paid to the Lender (or if not paid by the insurers directly to the Lender shall be held on trust for the Lender) and shall at the option of the Lender be applied in replacing, restoring or reinstating the Property (any deficiency being made good by the Mortgagor) or (except where the Mortgagor is obliged (as landlord tenant) to lay out such insurance moneys) under the

provisions of any lease of any of the Property in reduction of the Secured Obligations.

- 8.3 No purchaser or other person shall be bound or concerned to see or enquire whether the right of the Lender or any Receiver to exercise any of the powers conferred by this Deed has arisen or be concerned with notice to the contrary or with the propriety of the exercise or purported exercise of such powers.

9 Indemnities Costs and Expenses

- 9.1 The Mortgagor hereby undertakes with the Lender to pay on demand all costs, charges and expenses reasonably incurred by the Lender or by any Receiver in or about the enforcement, redemption preservation or attempted preservation of any of the security created by or pursuant to this Deed on a full indemnity basis, together with interest at the Default Rate from the date on which such costs, charges or expenses are so incurred until the date of payment by the Mortgagor (both before and after judgment).
- 9.2 Neither the Lender nor any Receiver shall be liable to account as mortgagee in possession in respect of all or any part of the Charged Assets or be liable for any loss upon realisation of or for any neglect or default of any nature whatsoever for which a mortgagee in possession may be liable as such.
- 9.3 The Lender and any Receiver, attorney, agent or other person appointed by the Lender under this Deed and the Lender's officers and employees (each an **"Indemnified Party"**) shall be entitled to be indemnified out of the Charged Assets in respect of all costs, losses, actions, claims, expenses, demands or liabilities whether in contract, tort, delict or otherwise and whether arising at common law, in equity or by statute which may reasonably be incurred by, or made against, any of them (or by or against any manager, agent, officer or employee for whose liability, act or omission any of them may be answerable) at any time relating to or arising directly or indirectly out of or as a consequence of:
- (a) anything done or omitted in the exercise or purported exercise of the powers contained in this Deed; or
 - (b) any breach by the Mortgagor of any of its obligations under this Deed

and the Mortgagor shall indemnify the Lender and any Receivers against any such matters.

10 Power of Attorney

10.1 The Mortgagor by way of security hereby irrevocably appoints each of the Lender and any Receiver severally to be its attorney in its name and on its behalf:

- (a) to execute and complete any documents or instruments which the Lender or such Receiver may require for perfecting the title of the Lender to the Charged Assets or for vesting the same in the Lender or any purchaser; and
- (b) to sign, execute, seal and deliver and otherwise perfect any further security documents referred to in clause 5.1; and
- (c) otherwise generally to sign, seal, execute and deliver all deeds, assurances, agreements and documents and to do all acts and things which may be required for the full exercise of all or any of the powers conferred on the Lender or a Receiver under this Deed or which may be deemed expedient by the Lender or a Receiver in connection with any disposition, realisation or getting in by the Lender or such Receiver of the Charged Assets or any part thereof or in connection with any other exercise of any power under this Deed.

10.2 The Mortgagor ratifies and confirms and agrees to ratify and confirm all acts and things which any attorney as is mentioned in clause 10.1 shall properly do or purport to do in the exercise of her powers under such clause.

11 Events of Default

11.1 On the occurrence of any Event of Default, or if earlier on the Enforcement Date, all Secured Obligations of the Mortgagor shall immediately become payable on demand.

12 Continuing Security and Other Matters

12.1 This Deed and the obligations of the Mortgagor under this Deed shall:

- (a) secure the ultimate balance from time to time owing to the Lender by the Mortgagor and shall be a continuing security notwithstanding any settlement of account or other matter whatsoever;
- (b) be in addition to and not prejudice or affect, any present or future Encumbrance, right or remedy held by or available to the Lender; and
- (c) not merge with or be in any way prejudiced or affected by the existence of any such encumbrance, rights or remedies or by the same being or becoming wholly or in part void, voidable or unenforceable on any ground whatsoever or by the Lender dealing with, exchanging, releasing, varying or failing to perfect or enforce any of the same, or giving time for payment or indulgence or compounding with any other person liable.

12.2 Any release, discharge or settlement between the Mortgagor and the Lender shall be conditional upon no security, disposition or payment to the Lender by the Mortgagor or any other person liable being void, set aside or ordered to be refunded pursuant to any enactment or law relating to insolvency, liquidation or for any other reason whatsoever and if such condition shall not be fulfilled the Lender shall be entitled to enforce this Deed subsequently as if such release, discharge or settlement had not occurred and any such payment had not been made.

13 Miscellaneous

- 13.1 Section 93 of the Law of Property Act 1925 (restricting the Lender's right of consolidation) shall not apply to this security or to any security given to the Lender pursuant to this Deed.
- 13.2 No failure or delay on the part of the Lender to exercise any power, right or remedy operate as a waiver thereof nor shall any single or any partial exercise or waiver or any power, right or remedy preclude its further exercise or the exercise of any other power, right or remedy.
- 13.3 During the continuance of this security the statutory and any other powers of leasing, letting, entering into agreements for leases or lettings and accepting or agreeing to accept surrenders of leases or tenancies shall not be

exercisable by the Mortgagor in relation to the Charged Assets or any part thereof.

- 13.4 Any appointment or removal of a Receiver under clause 7 and any consents under this Deed may be made or given in writing signed or sealed by any successor or assigns of the Lender and accordingly the Mortgagor hereby irrevocably appoints each successor and assign of the Lender to be its attorney in the terms and for the purposes set out in clause 10.
- 13.5 This Deed shall remain binding on the Mortgagor notwithstanding any change in the constitution of the Lender or its absorption in, or amalgamation with, or the acquisition of all or substantially all of its undertaking by any other person or any reconstruction or reorganisation of any kind.

The Mortgagor may not assign or purport to assign this Deed or any of their rights or obligations contained herein.

The Lender may assign any of its rights under this Deed.

- 13.6 Any liability or power which may be exercised or any determination which may be made under this Deed by the Lender may be exercised or made in its absolute and unfettered discretion and it shall not be obliged to give reasons therefor.
- 13.7 Each of the provisions of this Deed is severable and distinct from the others and if at any time one or more of such provisions is or becomes invalid, illegal or unenforceable the validity, legality and enforceability of the remaining provisions of this Deed shall not in any way be affected or impaired thereby.
- 13.8 For the purposes of the Law of Property (Miscellaneous Provisions) Act 1989 any provisions of the Facility Letter relating to any disposition of an interest in land shall be deemed to be incorporated in this Deed.

14 Notices

- 14.1 Every notice, request, demand or other communication under this Deed shall:
- (a) be in writing delivered personally or by first-class prepaid letter or facsimile transmission;

(b) be deemed to have been served, subject as otherwise provided in this Deed, in the case of a letter when delivered and in the case of a facsimile when received in complete and legible form; and

(c) be sent:

(i) to the Mortgagor at:

3 Hawthorne Lane, Wilmslow, Cheshire, SK9 1AA

(ii) to the Lender at:

**Second Floor, Boulton House, 17-21 Chorlton Street, Manchester,
M1 3HY**

or to such other address or facsimile number as is notified by the Lender or the Lender to the other party to this Deed.

14.2 In the case of the death of the Mortgagor until receipt by the Lender of notice in writing of the grant of representation to the estate of the deceased, any notice or demand by the Lender sent by first class post or facsimile transmission addressed to the deceased or to her personal representatives at the last known place of abode of the deceased shall for the purposes of this letter be deemed sufficient notice or demand by the Lender on the deceased and her personal representatives and shall be effectual as if the deceased were still living.

15 Governing Law

15.1 This Deed shall be governed by and shall be construed in accordance with English law.

IN WITNESS this Instrument has been executed as a Deed the day and year first above written

The Schedule 1

Part 1

The Property

<u>Address</u>	<u>Title Number</u>
Oakwood Hall, Oakwood Road, Romiley, Stockport, SK6 4DX	GM91668
Cypress House, Southacre Drive, Handforth, Wilmslow, SK9 3HN	CH647800
Land lying to the East of Newcastle Road, Congleton	CH572950

Part 2

Prior Charges

Oakwood Hall, Oakwood Road, Romiley, Stockport, SK6 4DX	Amicus
Cypress House, Southacre Drive, Handforth, Wilmslow, SK9 3HN	Amicus
Land lying to the East of Newcastle Road, Congleton	Amicus

Part 3

Priority (for purposes of clause 3.3)

Oakwood Hall, Oakwood Road, Romiley, Stockport, SK6 4DX - £2,084,343.06
Cypress House, Southacre Drive, Handforth, Wilmslow, SK9 3HN - £1,152,223.95
Land lying to the East of Newcastle Road, Congleton - £3,849,996.88

Schedule 2

Property Covenants

The Mortgagor hereby covenants with the Lender that during the continuance of this security the Mortgagor will:

- (a) procure that there is kept and maintained insurances for the Property for the full replacement or reinstatement cost against loss or damage by fire, storm, lightning, explosion, riot, civil commotion, malicious damage, impact, flood, burst pipes, aircraft and such other risks and contingencies as the Lender shall from time to time request with some insurance office or underwriters acceptable to the Lender;
- (b) procure that the interest of the Lender shall be noted on the Insurances effected under sub-clause (a) above with the policy or policies relating thereto containing such provisions for the protection of the Lender as it may reasonably require;
- (c) duly and promptly pay all premiums and other moneys required for effecting and keeping up the Insurances as specified in sub-clause (a) above and on demand procure the delivery to the Lender of the policy or policies of such Insurances and the receipt for each such payment made thereunder;
- (d) keep the Property and all buildings, fixtures, fittings and furniture therein for the time being comprised in this security in good and substantial repair;
- (e) observe and perform all covenants, conditions, agreements, stipulations and other matters (if any) binding on the Mortgagor and affecting the Charged Assets;
- (f) to promptly pay all rent and all other outgoings payable in respect of the Property and to indemnify the Lender and any Receiver (on a several basis) against all present and future rent and all other outgoings payable in respect of the Property;
- (g) not cause or permit any person to be registered under the Land Registration Acts 1925 or 2002 as the proprietor of the Property or any part of it without the prior written consent of the Lender Provided that if the Lender shall enter

any caution against any registration the costs thereby incurred shall be deemed to have been properly incurred as mortgagee;

- (h) not without the prior written consent of the Lender carry out on the Property any development or material change of use within the Town and Country Planning Acts nor to make any structural or material alteration to or to the use of the Property;
- (i) not without the prior written consent of the Lender ;
 - (i) (save for Permitted Encumbrances) create or purport to create or permit to subsist any other Encumbrance to arise on or affect any part of the Charged Assets;
 - (ii) dispose of any of the Charged Assets or agree to do so;
- (j) not without the prior written consent of the Lender grant or agree to grant any lease or tenancy of the Property or any part thereof;
- (k) to immediately notify the Lender in writing of any Event of Default on becoming aware of the same.
- (l) Where the Mortgagor carries out any Development the Mortgagor covenants with the Lender that the Borrower shall:
 - (i) where the Lender so requires ensure the insurance of the Property and the plant and machinery on the Property (including fixtures fittings and improvements) on a full reinstatement basis, under a contractors all risks policy upon such terms and with such insurers as are approved by the Lender in writing.
 - (ii) ensure that every consent, authorisation, release or waiver required for the Development is obtained and remains effective.
 - (iii) ensure that the Development is completed in a good and workmanlike manner, using materials of a good quality which are fit for their respective purposes, in accordance with all relevant consents, authorisations, releases or waivers required for or in connection with the Development and at least in accordance with the relevant codes of practice, the Construction (Design and

Management) Regulations 2007 and British Standard Specifications relating to designs, layout, workmanship and materials used.

(iv) provide to the Lender promptly all information requested by the Lender in relation to the Development including costs and progress.

(v) provide to the Lender or the Lender's agents access to the Property at all reasonable times for the purposes of inspection.

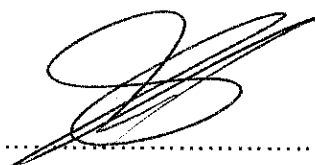
SIGNED as a **DEED** by **HARRISON
HOMES (CHESHIRE) LIMITED**
acting by a director in the presence
of:

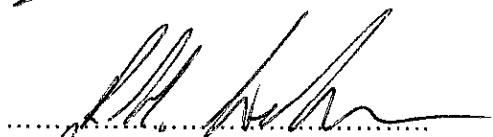
Witness signature

Witness name

Witness address

Witness occupation




ROSS HAMILTON WELLMAN

SETORES SOLICITORS

SENNER HOUSE 1A SENNER ROAD
WILDFORD CM1 3PH

SOLICITOR