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Please do not write in this margin

Please complete legibly, preferably in black type, or bold block lettering

*insert full name of Company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

395

A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge.

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use
14 12 17

Company number
770529

Name of company

* McCarthy & Stone (Developments) Limited ("**Company**")

Date of creation of the charge

26 November 2008

Description of the instrument (if any) creating or evidencing the charge (note 2)

Legal charge ("**Legal Charge**")

Amount secured by the mortgage or charge

All present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any capacity whatsoever) of the Company to the Security Agent (whether on its own account or on behalf of the Security Beneficiaries) and/or the other Security Beneficiaries (or any of them) under or pursuant to any Finance Documents to which the Company is a party (including all monies covenanted to be paid under the Legal Charge) ("**Secured Obligations**").

All capitalised terms, except those defined elsewhere in this form M395, are defined in annexure 1.

Names and addresses of the mortgagees or persons entitled to the charge

Bank of Scotland plc (formerly The Governor and Company of the Bank of Scotland) (as security agent for the Security Beneficiaries) ("**Security Agent**") acting through its branch at Level 3 New Uberior House, 11 Earl Grey Street, Edinburgh

Postcode EH3 9BN

Presentor's name address and reference (if any):
DLA Piper UK LLP
101 Barbirolli Square
Manchester
M2 3DL

EB/61249/120168/

Time critical reference

For official Use (06/2005)
Mortgage Section

Post room

WEDNESDAY

A6VKQ5C2
A23 03/12/2008 124
COMPANIES HOUSE

Short particulars of all the property mortgaged or charged

Please do not write in this margin

Please complete legibly, preferably in black type, or bold block lettering

The Company charged and agreed to charge by way of first legal mortgage all of its present and future right, title and interest in and to the Property.

The Company will not do or agree to do any of the following without the prior written consent of the Security Agent:

(a) create or permit to subsist any Security on any of the Security Assets (except a Permitted Security); or

(b) sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not), the whole or any part of its interest in any Security Asset (except for a Permitted Disposal).

All capitalized terms, except those defined elsewhere in this form M395, are defined in annexure 1.

Particulars as to commission allowance or discount (note 3)

Nil.

A fee is payable to Companies House in respect of each register entry for a mortgage or charge. (See Note 5)

Signed DLA Piper UK LLP Date 27/11/2008

On behalf of [XXXXXXX XXXXXXXX/chargee] † Bank of Scotland plc

† delete as appropriate

Notes

1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.

2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage", or "Legal charge", etc, as the case may be, should be given.

3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
(a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
(b) procuring or agreeing to procure subscriptions, whether absolute or conditional,
for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.

4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.

5 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders must be made payable to **Companies House.**

6 The address of the Registrar of Companies is: Companies House, Crown Way, Cardiff CF14 3UZ

COMPANY NUMBER: 770529

MCCARTHY & STONE (DEVELOPMENTS) LIMITED

Annexure 1

Definitions

"**Bidco**" means Mother Bidco Limited, a company incorporated in England and Wales with Company Number 05876749 and having its registered office at Level 7, Bishopsgate Exchange, 155 Bishopsgate, London EC2M 3YB;

"**Delegate**" means any delegate, agent, attorney or co-trustee appointed by the Security Agent;

"**Finance Documents**" means the Senior Finance Documents and the Mezzanine Finance Documents;

"**Intercreditor Deed**" means the Intercreditor Deed originally dated 1 August 2006 and amended and restated on 28 November 2006 and 28 February 2007 between, inter alia, the Security Agent (1) and Bidco (2);

"**Mezzanine Facility Agreement**" means the Mezzanine Facility Agreement originally dated 1 August 2006 and amended and restated on 28 November 2006 between, inter alia, the Security Agent (1) and Bidco (2);

"**Mezzanine Facility Documents**" means the Finance Documents (as such term is defined in the Mezzanine Facility Agreement);

"**Permitted Disposal**" means "Permitted Disposal" as that term is defined in each of the Senior Facilities Agreement and the Mezzanine Facility Agreement;

"**Permitted Security**" means "Permitted Security" as that term is defined in each of the Senior Facilities Agreement and the Mezzanine Facility Agreement;

"**Planning Acts**" means (1) the Town and Country Planning Act 1990, (2) the Planning (Listed Buildings and Conservation Areas) Act 1990, (3) the Planning (Hazardous Substances) Act 1990, (4) the Planning (Consequential Provisions) Act 1990, (5) the Planning and Compensation Act 1991, (6) any regulations made pursuant to any of the foregoing and (7) any other legislation of a similar nature;

"**Property**" means the leasehold land known as 17 Overhill Road, Downend, Bristol BS16 6DS as edged red on the plan attached at the schedule of the Legal Charge and as described in the leases dated 28 April 1910 and made between Robert Mayes (1) and Frank Herbert Silvey (2) and the lease dated 13 November 1919 and made between Charles Arthur Haythorne Montague (1) and Eliza Julian Greer Mayes (2) and Frank Herbert Silvey (3) and 25a Ovenhill Road, Downend, Bristol BS16 5DS which is registered under title number AV92919 and where the context so admits includes:

(a) all buildings, erections, fittings and fixtures (including trade fixtures) and fixed plant and machinery at any time thereon;

(b) all easements, rights and agreements in respect thereof;

(c) all proceeds of sale of that property; and

(d) the benefit of all covenants given in respect thereof.

"**Receiver**" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Property;

"**Security**" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

"Security Beneficiaries" has the meaning given to that term in the Intercreditor Deed;

"Security Assets" means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to the Charge;

"Senior Facilities Agreement" means the Senior Facilities Agreement originally dated 1 August 2006 and amended and restated on 28 November 2006 and 28 February 2007 between, inter alia, the Security Agent (1) and Bidco (2); and

"Senior Finance Documents" means the Finance Documents (as such term is defined in the Senior Facilities Agreement).

FILE COPY

CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY NO. 770529
CHARGE NO. 427

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A LEGAL CHARGE DATED 26 NOVEMBER 2008 AND CREATED BY MCCARTHY & STONE (DEVELOPMENTS) LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO BANK OF SCOTLAND PLC ON ANY ACCOUNT WHATSOEVER WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 3 DECEMBER 2008

GIVEN AT COMPANIES HOUSE, CARDIFF THE 4 DECEMBER 2008

Companies House
for the record

REGISTRAR OF COMPANIES FOR ENGLAND AND WALES

THE OFFICIAL SEAL OF THE REGISTRAR OF COMPANIES