



Registration of a Charge

Company Name: **CEDAR HOMES CORNWALL LTD**

Company Number: **10359691**



Received for filing in Electronic Format on the: **30/03/2022**

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Details of Charge

Date of creation: **29/03/2022**

Charge code: **1035 9691 0003**

Persons entitled: **FOLK NOMINEE LIMITED**

Brief description: **FREEHOLD LAND LYING TO THE SOUTH OF 6 PRAZE ROAD, PORTHLEVEN, HELSTON (TR13 9LR) REGISTERED AT THE LAND REGISTRY WITH TITLE NUMBER CL8526. FREEHOLD LAND LYING TO THE SOUTH OF 6 PRAZE ROAD, PORTHLEVEN, HELSTON (TR13 9LR) REGISTERED AT THE LAND REGISTRY WITH TITLE NUMBER CL3916.**

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: **STAMP JAMES SOLICITORS**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10359691

Charge code: 1035 9691 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 29th March 2022 and created by CEDAR HOMES CORNWALL LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 30th March 2022 .

Given at Companies House, Cardiff on 4th April 2022

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 29 March 2022

(1) CEDAR HOMES CORNWALL LTD
(AS MORTGAGOR)

(2) FOLK NOMINEE LIMITED
(AS SECURITY TRUSTEE)

– LEGAL CHARGE –

IMPORTANT INFORMATION

Please take time to read this document carefully and do not hesitate to discuss any aspect that is unclear. You must only sign this Legal Charge when you fully understand the consequences of doing so. We strongly recommend that independent advice is sought before accepting any Loan and signing any documents.

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THIS DEED is made on 29 March

2022

BETWEEN:-

- (1) **CEDAR HOMES CORNWALL LTD** (a company registered in England and Wales with company number 10359691) whose registered office is at Lakeside Offices, The Old Cattle Market, Coronation Park, Helston, Cornwall, TR13 0SR (the "**Mortgagor**"); and
- (2) **FOLK NOMINEE LIMITED** (a company registered in England and Wales with company number 09939972 whose registered office is at Number One Business Centre, Western Road, Launceston, Cornwall, PL15 7FJ) as agent and trustee for itself, Folk2Folk and each Lender (the "**Security Trustee**").

WHEREAS:-

- (A) Under this Deed, the Mortgagor provides security to the Security Trustee for all its present and future obligations and liabilities to the Lenders from time to time under each Loan Agreement as arranged by Folk2Folk and entered into by the Mortgagor.
- (B) The Mortgagor is the owner of the Charged Property.

IT IS AGREED as follows:-

1. INTERPRETATION

1.1 Definitions

The following definitions apply in this Deed:-

- | | |
|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| "Charged Property" | means all the property, assets and undertaking of the Mortgagor which are set out in Schedule 1 to this Deed and which are expressed to be, the subject of the Security created in favour of the Security Trustee by or pursuant to this Deed |
| "Delegate" | means any delegate, agent, attorney or co-trustee appointed by the Security Trustee |
| "Environment" | means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media: <ol style="list-style-type: none">(a) air (including, without limitation, air within natural or man-made structures, whether above or below ground);(b) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and(c) land (including, without limitation, land under water) |
| "Environmental Law" | means any applicable law or regulation which relates to: <ol style="list-style-type: none">(a) the pollution or protection of the Environment; |

- (b) the conditions of the area; or
- (c) 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, without limitation, any waste

"Event of Default"	means each of the events as set out in any Loan Terms and Conditions
"Fixtures"	means all things of any kind now or at any time affixed to land for any purpose, including trade and tenants' fixtures
"Folk2Folk"	means Folk2Folk Limited (company number 08178576) whose registered office is at Number One Business Centre, Western Road, Launceston, Cornwall PL15 7FJ
"Insurances"	means all contracts and policies of insurance or assurance in force at any time in relation to the Charged Property
"Interest Rate"	means the interest rate as set out in the relevant Loan Agreement from time to time entered into by the Mortgagor and arranged by Folk2Folk
"Land"	means any estate, right or interest or over land, whether legal or equitable, and wherever the land is situated, including any buildings and Fixtures on land, and the benefit of any covenants or rights owned to any person or enforceable by him by virtue of the ownership, possession or occupation of land, but for these purposes, "Land" excludes heritable property situated in Scotland
"Lender"	means the lender(s) from time to time (or any transferee of such lender from time to time) under any Loan Agreement
"Loan"	means any loan(s) made available pursuant to any Loan Agreement from time to time entered into by the Mortgagor and arranged by Folk2Folk and which specify they are to be secured by the Security created by this Deed
"Loan Advance"	has the meaning given in the relevant Loan Agreement from time to time entered into by the Mortgagor and arranged by Folk2Folk
"Loan Agreement"	means any loan agreement entered into by the Mortgagor as borrower and arranged by Folk2Folk from time to time the obligations under which are intended to be secured by this Deed
"Loan Terms and Conditions"	the loan terms and conditions as set out on the website of Folk2Folk (www.Folk2Folk.com) from time to time)
"LPA"	means the Law of Property Act 1925
"Planning Acts"	means the Town and Country Planning Act 1990, the Planning (Listed Building and Conservation Areas) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning (Hazardous Substances) Act 1990

and the Local Government Planning and Land Act 1980 and any subsequent legislation of a similar nature

"Receiver"

means any receiver, receiver and manager or administrative receiver of the whole or any part of the Charged Property

"Related Rights"

means in relation to any Charged Property:-

- (a) the proceeds of sale of any part of the Charged Property;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of the Charged Property;
- (c) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of the Charged Property; and
- (d) any moneys and proceeds paid or payable in respect of the Charged Property

"Secured Liabilities"

all present and future obligations and liabilities of the Mortgagor to the Lenders, Folk2Folk and the Security Trustee from time to time under each Loan, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity and whether or not a Lender was an original party to the relevant transaction and in whatever name or style, together with all interest (including, without limitation, default interest) accruing in respect of those obligations or liabilities

"Security"

any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect

"Security Period"

means the period beginning on the date of this Deed and ending on the date on which Folk2Folk and the Security Trustee is satisfied that the Secured Liabilities have been irrevocably and unconditionally paid and discharged in full and no further Secured Liabilities are capable of being outstanding

1.2 Incorporation of Terms

Unless the context otherwise requires or unless defined in this Deed, all words and expressions defined or whose interpretation is provided for in each Loan Agreement from time to time entered into by the Mortgagor and arranged by Folk2Folk and shall have the same meanings in this Deed and apply to this Deed as if they were set out in full in this Deed.

1.3 Conflict

In the event of conflict between the terms of any such Loan Agreements, the terms of the last in time shall prevail.

1.4 Interpretation

The principles of interpretation set out in each Loan Agreement from time to time entered into by the Mortgagor and arranged by Folk2Folk shall apply to this Deed insofar as they are relevant to it and in this Deed, unless the context otherwise requires, a reference to a "**Finance Document**" or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, restated or replaced (however fundamentally) and includes any increase in, extension of, or change to, any facility made available under that Finance Document or other agreement or instrument and includes any increase in, extension of or change to any facility made available under that Finance Document or other agreement or instrument.

1.5 Acknowledgement

The Mortgagor acknowledges that the Security Trustee enters into this Deed for itself and as trustee for the Lenders from time to time under each loan agreement from time to time entered into by the Mortgagor and arranged by Folk2Folk who shall be entitled to the full benefit of this Deed.

1.6 Effect as a deed

This Deed shall take effect as a deed even if it is signed under hand on behalf of the Security Trustee.

1.7 Law of Property (Miscellaneous Provisions) Act 1989

The terms of all other documents entered into by the Mortgagor and Lenders from time to time under each Loan Agreement from time to time entered into by the Mortgagor and arranged by Folk2Folk are incorporated in this Deed to the extent required to ensure that any purported disposition of an interest in Land contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.8 Third party rights

Folk2Folk, the Security Trustee and its Delegates (if any) and each of their respective officers, employees and agents may enforce any term of this Deed which purports to confer a benefit on such person or on behalf of any Lender, but no other person who is not a party to the this Deed has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.

2. COVENANT TO PAY

2.1 Secured Liabilities

The Mortgagor shall, on demand, pay and discharge any or all of the Secured Liabilities when they become due.

2.2 Interest

The Mortgagor covenants to pay interest on any amounts due in accordance with Clause 2.1 (*Secured Liabilities*) from day to day until full discharge (whether before or after judgment, bankruptcy, liquidation, winding-up or administration of the Mortgagor) at the applicable Interest Rate under each Loan Agreement, provided that, in the case of any cost or expense, such interest shall accrue and be payable as from the date on which the relevant cost or expense arose without the necessity for any demand being made for payment.

3. GRANT OF SECURITY

3.1 Security

As a continuing security for payment and discharge of the Secured Liabilities the Mortgagor with full title guarantee:-

3.1.1 charges to the Security Trustee all its right, title and interest from time to time in and to each of the following:-

(a) by way of first legal mortgage all Land described in Schedule 1 (*The Charged Property*)

(b) by way of first fixed charge all Related Rights in respect of the Charged Property; and

3.1.2 assigns absolutely in favour of the Security Trustee all its right, title and interest from time to time in and to the Insurances and all benefits accruing under the Insurances, subject to a proviso for reassignment on redemption

3.2 Trust

If or to the extent that for any reason the assignment or charging of any Charged Property is prohibited, the Mortgagor shall hold it on trust for the Security Trustee.

4. UNDERTAKINGS BY THE MORTGAGOR

4.1 Deposit of title documents

The Mortgagor will deposit with the Security Trustee:

4.1.1 all deeds and documents of title relating to the Charged Property, including without limitation all deeds and documents of title relating to the Land described in Schedule 1 (*The Charged Property*); and

4.1.2 all local land charges, land charges and Land Registry search certificates and similar documents received by or on behalf of the Mortgagor,

(each of which the Security Trustee shall be entitled to retain during the Security Period).

4.2 Payments without deduction

The Mortgagor shall calculate and make all payments under this Deed without (and free and clear of any deduction for) set-off or counterclaim.

4.3 General covenants

The Mortgagor shall comply with the general covenants set out in Schedule 3 to this Deed.

5. REPRESENTATIONS AND WARRANTIES

The Mortgagor makes the representations and warranties set out at Schedule 2 to this Deed on the date of this Deed and on the date of each further drawing under each Loan Agreement from time to time entered into by the Mortgagor and arranged by Folk2Folk (if any).

6. APPLICATION TO THE LAND REGISTRY

The Mortgagor and the Security Trustee apply to the Land Registry for the following to be entered on to the registered title to the Charged Property:-

6.1.1 a restriction in the following terms:-

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated 29 March 2022 in favour of Folk Nominee Limited referred to in the charges register (Form P)"; and

- 6.1.2 a notice that the Lenders from time to time under any Loan Agreement as arranged by Folk2Folk and entered into by the Mortgagor is/are under an obligation to make further advances and the security created by the charge dated *29 March 2022* in favour of Folk Nominee Limited has been created for the purpose of securing such further advances.

7. RESTRICTIONS AND FURTHER ASSURANCE

7.1 Security

The Mortgagor shall not create or permit to subsist any Security over any Charged Property, nor do anything else prohibited by any Loan Agreement from time to time entered into by the Mortgagor and arranged by Folk2Folk.

7.2 Disposal

The Mortgagor shall not enter into or agree to enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, license, sub-license, transfer or otherwise dispose of any Charged Property except as permitted by any Loan Agreement from time to time entered into by the Mortgagor and arranged by Folk2Folk.

7.3 Further assurance

The Mortgagor shall promptly do whatever the Security Trustee requires:-

- 7.3.1 to perfect or protect the Security created or expressed to be created by this Deed, or its priority; or

- 7.3.2 to facilitate the realisation of the Charged Property or the exercise of any rights vested in the Security Trustee or any Receiver,

including executing any transfer, conveyance, charge, assignment or assurance of the Charged Property (whether to the Security Trustee or its nominees or otherwise), making any registration and giving any notice, order or direction.

8. DEMAND AND ENFORCEMENT

8.1 Enforcement

The Security created by this Deed shall become enforceable upon:-

- 8.1.1 the occurrence of an Event of Default which is continuing;

- 8.1.2 any request being made by the Mortgagor to the Security Trustee for the appointment of a Receiver or an administrator, or for the Security Trustee to exercise any other power or right available to it.

8.2 Powers on enforcement

At any time after the Security created by this Deed has become enforceable, the Security Trustee may (without prejudice to any other rights and remedies and without notice to the Mortgagor) do all or any of the following:-

- 8.2.1 exercise the power of sale under section 101 of the LPA together with all other powers and rights conferred on mortgagees by the LPA, as varied and extended by this Deed, without the restrictions imposed by sections 103 or 109(1) of the LPA;

- 8.2.2 exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Charged Property, without the restrictions imposed by sections 99 and 100 of the LPA; and

8.2.3 subject to Clause 9.1 (*Method of appointment or removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Charged Property.

8.3 Disposal of the Charged Property

In exercising the powers referred to in Clause 8.2 (*Powers on enforcement*), the Security Trustee or any Receiver may sell or dispose of all or any of the Charged Property at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

8.4 Same rights as Receiver

Any rights conferred by any Finance Document upon a Receiver may be exercised by the Security Trustee, or to the extent permitted by law, an administrator, after the Security created by this Deed has become enforceable, whether or not the Security Trustee shall have taken possession or appointed a Receiver of the Charged Property.

8.5 Delegation

The Security Trustee may delegate in any manner to any person any rights exercisable by the Security Trustee under any Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Security Trustee thinks fit.

9. RECEIVERS

9.1 Method of appointment or removal

Every appointment or removal of a Receiver, any delegate or any other person by the Security Trustee under this Deed shall be in writing under the hand of any officer or manager of the Security Trustee (subject to any requirement for a court order in the case of the removal of an administrative receiver).

9.2 Removal

The Security Trustee may (subject to the application of section 45 of the Insolvency Act 1986) remove any person from office in relation to all or any part of the Charged Property of which he is the Receiver and at any time (before or after any person shall have vacated office or ceased to act as Receiver in respect of any of such Charged Property) appoint a further or other Receiver or Receivers over all or any part of such Charged Property.

9.3 Powers

Every Receiver shall have and be entitled to exercise all the powers:-

9.3.1 of the Security Trustee under this Deed;

9.3.2 conferred by the LPA on mortgagees in possession and on Receivers appointed under the LPA;

9.3.3 of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver;

9.3.4 in relation to any Charged Property, which he would have if he were its only beneficial owner; and

9.3.5 to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver.

9.4 Receiver as agent

The Receiver shall be the agent of the Mortgagor (which shall be solely liable for his acts, defaults, remuneration, losses and liabilities) unless and until the Mortgagor goes into liquidation, from which time he shall act as principal and shall not become the agent of the Security Trustee.

9.5 Joint or several

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Deed.

9.6 Receiver's remuneration

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by the Security Trustee and the maximum rate specified in section 109(6) of the LPA shall not apply.

10. APPLICATION OF MONEYS

10.1.1 All sums received by virtue of this Deed by the Security Trustee or any Receiver shall, subject to the payment of any claim having priority to this Deed, be paid or applied in the following order of priority:-

- (a) **firstly**, in or towards satisfaction pro rata of, or the provision pro rata for, all costs, charges and expenses incurred and payments made by the Security Trustee as agent for the Lenders and/or as trustee in relation to this Deed, or by any Receiver (including legal expenses), together with interest at the highest applicable Interest Rate (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full or other person entitled to it;
- (b) **secondly**, in or towards the payment pro rata of, or the provision pro rata for, any unpaid fees, commission or remuneration of the Security Trustee or any Receiver;
- (c) **thirdly**, in or towards payment of the Secured Liabilities in accordance with the terms thereof; and
- (d) **fourthly**, in the payment of the surplus (if any), to the Mortgagor or any other person entitled to it,

and section 109(8) of the LPA shall not apply.

10.1.2 Notwithstanding any other term of this Deed (and unless otherwise agreed in writing between the Lenders), all sums received by the Security Trustee or any Receiver by virtue of this Deed to be used in or towards payment of the Secured Liabilities shall be applied in order of priority agreed by the Lenders and Folk2Folk.

11. POWER OF ATTORNEY

11.1 Appointment

The Mortgagor irrevocably and by way of security appoints:-

- 11.1.1 the Security Trustee (whether or not a Receiver has been appointed);
- 11.1.2 any delegate or sub-delegate of, or other person nominated in writing by, an officer of the Security Trustee; and
- 11.1.3 (as a separate appointment) each Receiver,

severally as the Mortgagor's attorney and attorneys with power to do any act, and execute and deliver any deed or other document, on behalf of and in the name of the Mortgagor, which the Mortgagor could be required to do or execute under any provision of this Deed, or which the Security Trustee in its sole opinion may consider necessary or desirable for perfecting its title to any of the Charged Property or enabling the Security Trustee or the Receiver to exercise any of its rights or powers under this Deed.

11.2 Ratification

The Mortgagor ratifies and confirms and agrees to ratify and confirm whatever any attorney appointed pursuant to Clause 11.1 (*Appointment*) does or purports to do in the exercise or purported exercise of all or any of the powers, acts or other matters referred to in Clause 11.1 (*Appointment*).

12. PROTECTION OF THIRD PARTIES

12.1 Statutory powers

In favour of any purchaser, the statutory powers of sale and of appointing a Receiver which are conferred upon the Security Trustee, as varied and extended by this Deed, and all other powers of the Security Trustee, shall be deemed to arise (and the Secured Liabilities shall be deemed due and payable for that purpose) immediately after the execution of this Deed.

12.2 Purchasers

No purchaser from or other person dealing with the Security Trustee, any person to whom it has delegated any of its powers, or the Receiver, shall be concerned:-

12.2.1 to enquire whether any of the powers which the Security Trustee or a Receiver have exercised has arisen or become exercisable;

12.2.2 to enquire whether the Secured Liabilities remain outstanding or whether any event has happened to authorise the Receiver to act; or

12.2.3 as to the propriety or validity of the exercise of those powers,

and the title and position of a purchaser or such person shall not be impeachable by reference to any of those matters.

12.3 Receipts

All the protection to purchasers contained in sections 104 and 107 of the LPA, section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Trustee, any Receiver or any person to whom any of them have delegated any of their powers.

13. PROTECTION OF THE SECURITY TRUSTEE, LENDER AND ANY RECEIVER

13.1 No liability

None of Folk2Folk, the Security Trustee, the Lender, any Receiver or any of their respective officers, employees or delegates shall be liable in respect of any cost, liability, expense, loss or damage which arises out of the exercise, or attempted or purported exercise of, or the failure to exercise, any of their respective rights under this Deed.

13.2 No mortgagee in possession

Without prejudice to any other provision of this Deed, entry into possession of any Charged Property shall not render the Security Trustee, any Receiver or any of their respective officers or employees liable:-

13.2.1 to account as mortgagee in possession;

13.2.2 for any loss on realisation; or

13.2.3 for any default or omission for which a mortgagee in possession might be liable,

and if and whenever the Security Trustee or any Receiver enters into possession of any Charged Property it shall be entitled at any time it or he thinks fit to relinquish possession.

13.3 Indemnity

The Mortgagor shall indemnify and keep indemnified the Security Trustee, each Lender, any Receiver, and their respective officers, employees and delegates, against all claims, costs, expenses and liabilities incurred by them in respect of all or any of the following:-

13.3.1 any act or omission by any of them in relation to all or any of the Charged Property;

13.3.2 any payment relating to or in respect of all or any of the Charged Property which is made at any time by any of them;

13.3.3 any stamp, registration or similar tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Deed;

13.3.4 exercising or purporting to exercise or failing to exercise any of the rights, powers and discretions conferred on them or permitted under this Deed; and

13.3.5 any breach by the Mortgagor of any of its covenants or other obligations to the Security Trustee or any Lender,

except in the case of gross negligence or wilful misconduct on the part of that person.

13.4 Interest

The Mortgagor shall pay interest at the highest applicable Interest Rate on the sums payable under this Clause 13 (*Protection of the Security Trustee, Lender and any Receiver*) from the date on which the liability was incurred to the date of actual payment (both before and after judgment).

13.5 Indemnity out of the Charged Property

The Security Trustee, the Lender, any Receiver and their respective officers, employees and delegates shall be entitled to be indemnified out of the Charged Property in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 13.3 (*Indemnity*).

13.6 Continuing protection

The provisions of this Clause 13 (*Protection of the Security Trustee, Lender and any Receiver*) shall continue in full force and effect notwithstanding any release or discharge of this Deed or the discharge of any Receiver from office.

14. PROVISIONS RELATING TO THE SECURITY TRUSTEE

14.1 Powers and discretions

The rights, powers and discretions given to the Security Trustee in this Deed:-

14.1.1 may be exercised as often as and in such manner as, the Security Trustee thinks fit;

14.1.2 are cumulative, and are not exclusive of any of its rights under the general law; and

- 14.1.3 may only be waived in writing and specifically, and any delay in exercising, or non-exercise of, any right, is not a waiver of it.

14.2 Trusts

The perpetuity period for any trusts constituted by this Deed shall be 125 years.

15. PRESERVATION OF SECURITY

15.1 Continuing Security

This Deed shall be a continuing security to the Security Trustee and shall remain in force until expressly discharged in writing by the Security Trustee notwithstanding any intermediate settlement of account or other matter or thing whatsoever.

15.2 Additional Security

This Deed is without prejudice and in addition to, and shall not merge with, any other right, remedy or Security of any kind which the Security Trustee or any Lender may have now or at any time in the future for or in respect of any of the Secured Liabilities.

15.3 Waiver of Defences

Neither the Security created by this Deed nor the obligations of the Mortgagor under this Deed will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it or the Security Trustee or any Lender) including:-

- 15.3.1 any time, waiver or consent granted to, or composition with, any other person;

- 15.3.2 the release of any other person under the terms of any composition or arrangement with any person;

- 15.3.3 the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;

- 15.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any other person;

- 15.3.5 any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Finance Document or any other document or Security;

- 15.3.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Finance Document or any other document; or

- 15.3.7 an insolvency, liquidation, administration or similar procedure.

15.4 Liability not discharged

The Mortgagor's liability under this Deed in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

- 15.4.1 any security, guarantee, indemnity, remedy or other right held by, or available to, the Security Trustee and / or Lender (as applicable) that is, or becomes, wholly or partially illegal, void or unenforceable on any ground;

- 15.4.2 the Lender and / or Folk2Folk (as applicable) renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or
- 15.4.3 any other act or omission that, but for this clause 15.4, might have discharged, or otherwise prejudiced or affected, the liability of the Mortgagor.

15.5 Immediate Recourse

The Mortgagor waives any right it may have of first requiring the Security Trustee, any Lender or Folk2Folk to proceed against or enforce any other rights of Security or claim payment from any person before claiming from the Mortgagor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

15.6 Appropriations

During the Security Period the Security Trustee may:-

- 15.6.1 refrain from applying or enforcing any monies, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 10 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the Mortgagor shall not be entitled to the same; and
- 15.6.2 hold in an interest-bearing suspense account any moneys received from the Mortgagor on or account of the Secured Liabilities.

15.7 Tacking

For the purposes of section 94(1) of the LPA and section 49(3) of the Land Registration Act 2002 the Security Trustee confirms on behalf of each Lender under any Loan Agreement from time to time entered into by the Mortgagor and arranged by Folk2Folk that such Lender shall make further advances to the Mortgagor on the terms and subject to the conditions of that Loan Agreement from time to time entered into by the Mortgagor and arranged by Folk2Folk.

15.8 Deferral of Mortgagor's rights

During the Security Period and unless the Security Trustee otherwise directs, the Mortgagor shall not exercise any rights which it may have by reason of performance by it of its obligations under this Deed or the enforcement of the Security created by this Deed:-

- 15.8.1 to receive or claim payment from, or be indemnified by any person;
- 15.8.2 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under any Finance Document or of any guarantee or Security taken pursuant to, or in connection with, the Finance Documents by the Lender;
- 15.8.3 to exercise any right of set-off against any other person.

16. RELEASE

16.1 Release

Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities and the termination of all facilities which might give rise to Secured Liabilities, the Security Trustee shall, or shall procure that its appointees will, at the request and cost of the Mortgagor:-

- 16.1.1 release the Charged Property from this Deed; and

16.1.2 re-assign the Charged Property that has been assigned to the Security Trustee under this Deed.

16.2 Reinstatement

If the Security Trustee considers that any amount paid or credited to the Lenders under any Loan Agreement from time to time entered into by the Mortgagor and arranged by Folk2Folk (whether in respect of the obligations of the Mortgagor or any Security for those obligations or otherwise) is capable of being avoided, reduced or otherwise set aside:-

16.2.1 that amount shall not be considered to have been paid for the purposes of determining whether the Secured Liabilities have been irrevocably and unconditionally paid and discharged; and

16.2.2 the liability of the Mortgagor and the Security created by this Deed shall continue as if that amount had not been paid or credited.

16.3 Consolidation

Section 93 of the LPA dealing with the consolidation of mortgages shall not apply to this Deed.

17. MISCELLANEOUS PROVISIONS

17.1 Severability

If any provision of this Deed is illegal, invalid or unenforceable in any jurisdiction, that shall not affect:-

17.1.1 the validity or enforceability of any other provision, in any jurisdiction; or

17.1.2 the validity or enforceability of that particular provision, in any other jurisdiction.

17.2 Amendments and variations

This Deed shall remain in full force and effect notwithstanding any amendment, restatement, novation or supplementation of the Finance Documents (including any increase in the amount of the Secured Liabilities).

17.3 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of the Security Trustee, any right or remedy under this Deed 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 in this Deed are cumulative and not exclusive of any rights or remedies provide by law.

17.4 Counterparts

This Deed may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

18. GOVERNING LAW AND ENFORCEMENT

The Mortgagor expressly agrees and consents to the provisions of this Clause 18 (*Governing Law and Enforcement*);

18.1 Governing law

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

18.2 Enforcement

- 18.2.1 The courts of England have exclusive jurisdiction to settle any dispute (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").
- 18.2.2 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.
- 18.2.3 This Clause 18.2 (*Enforcement*) is for the benefit of the Security Trustee and the Lenders only. As a result, neither the Security Trustee nor the Lenders shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustee and the Lenders may take concurrent proceedings in any number of jurisdictions.

Executed and delivered as a deed by the Mortgagor on the date appearing at the beginning of this Deed.

SCHEDULE 1

THE CHARGED PROPERTY

Brief Details of the Charged Property	Title numbers at the Land Registry
Freehold land lying to the south of 6 Praze Road, Porthleven, Helston (TR13 9LR)	CL8526
Freehold land lying to the south of 6 Praze Road, Porthleven, Helston (TR13 9LR)	CL3916

SCHEDULE 2

REPRESENTATIONS AND WARRANTIES

1. The present use of the Charged Property is a permitted use within the provisions of the Planning Acts.
2. The Mortgagor has not before the execution of this Deed carried out any operation upon the Charged Property or put the Charged Property to any use which is a development within the provisions of the Planning Acts and in respect of which any requisite permission has not been obtained or any valid enforcement order may be made.
3. The Mortgagor has complied with Environmental Law and, in particular (but without prejudice to the generality of that representation and warranty) that no hazardous or toxic materials, substances, pollutants, contaminants or wastes have at any time before the execution of this legal charge been released into the environment or deposited, discharged, displaced or disposed of at or near the Charged Property.
4. The execution of and the observance and performance of the Mortgagor's obligations under this Deed does not and will not contravene, to the extent permitted by the Finance Documents, any other charge, mortgage, lease, loan facility or other agreement.
5. The execution of and the observance of the Mortgagor's obligations under this Deed does not and will not contravene any of the provisions of its constitution.

SCHEDULE 3

GENERAL COVENANTS

1. The Mortgagor will keep all buildings, fixtures and fittings, services and service media in, on or associated with the Charged Property in good and substantial repair and good working order and condition.
2. The Mortgagor will permit Folk2Folk, the Security Trustee and its Delegates (if any) and each of their respective officers, employees and agents at all reasonable times and upon reasonable notice to enter upon the Charged Property or any part of it to inspect the state and condition of the buildings, fixtures and fittings, services and service media in, on or associated with the Charged Property without the Lender or the Security Trustee becoming liable as mortgagee in possession.
3. The Mortgagor will on demand repay to the Security Trustee all expenses incurred by the Lender(s) or the Security Trustee in carrying out inspections and works permitted by paragraphs 2 and 16 of this Schedule together with interest from the date when the Lender(s) or Security Trustee become liable for the same until repayment by the Mortgagor at the highest applicable Interest Rate (such interest to be payable in the same manner as interest on the most recent Loan Advance) all of which money and interest shall be charged on the Charged Property.
4. The Mortgagor will not without the previous written consent of the Security Trustee (acting on the instruction of the Lender(s)) (and then only to the extent permitted by and in accordance with any conditions attached to the consent) make any structural or material alteration to, or pull down or remove any or any part of, any buildings, fixtures and fittings, services and service media in, on or associated with the Charged Property.
5. The Mortgagor will:
 - 5.1 ensure the Charged Property is kept insured for such amount or amounts (including sums in respect of any loss of rent and any professional fees which may be incurred in or about repair, rebuilding or reinstatement), in such name or names, and against loss or damage due to such risks and with such underwriters as the Lender(s) may in each case and from time to time approve in writing; and
 - 5.2 make all payments required for this purpose as and when they become due and will when required by the Lender deliver to the Lender the policy of insurance and the receipt for each payment.
6. If the Mortgagor fails to perform any of his/its obligations under paragraph 5 to this Schedule 3 and the Security Trustee takes out any insurance on the Charged Property or any part of it, the Mortgagor will on demand repay to the Security Trustee all payments made by him for that purpose and will pay interest at the highest applicable Interest Rate from the date of payment until repayment on any money not repaid on demand (such interest to be payable in the same manner as interest on the most recent Loan Advance) and all such money and interest shall be charged on the Charged Property.
7. Any money received under any policy of insurance effected or maintained by the Mortgagor in respect of the Charged Property (whether or not pursuant to his obligations under this Schedule 3) shall, at the option and absolute discretion of the Security Trustee (acting on the instructions of the Lender(s)), be applied either in making good the loss or damage in respect of which it was received or in or towards discharge of the money due under this security, and if received by the Mortgagor will be held on trust for the Security Trustee for this purpose.
8. The Mortgagor will punctually pay and indemnify the Security Trustee (on behalf of the Lender(s)) against any shortfall, rents, rates, taxes, levies, assessments, impositions and outgoings whatsoever (whether governmental, municipal, contractual or otherwise) which may be or may become imposed upon or payable in respect of the Charged Property or any part of it following the Security created by this Deed becoming enforceable.

9. The Mortgagor will ensure that any legislation, regulations or bye-laws for the time being in force applicable to the Charged Property or to the employment of persons in the Charged Property or the trade or business for the time being carried on there are complied with in all respects.
10. The Mortgagor will immediately produce to the Security Trustee any order, direction, permission, notice or other matter whatever affecting or likely to affect the Charged Property and served upon the Mortgagor by any third party, and will allow the Security Trustee to make a copy of it.
11. The Mortgagor will not use the Charged Property for any purpose other than the present permitted use within the provisions of the Planning Acts except with the previous written consent of the Security Trustee and the relevant planning authority and then only to the extent permitted by and in accordance with any conditions attached to such consent. The Mortgagor will deliver any such consent of the relevant planning authority to the Security Trustee.
12. The Mortgagor will not without the previous written consent of the Security Trustee (acting on the instruction of the Lender(s)) (and then only to the extent permitted by and in accordance with any conditions attached to such consent) carry out any operation or use the Charged Property for any use which is a development within the provisions of the Planning Acts.
13. If the Mortgagor at any time obtains permission for any development of the Charged Property within the provisions of the Planning Acts he will comply with all conditions subject to which such permission is granted.
14. The Mortgagor will observe and perform all Environmental Laws, regulations, directives and codes of practice affecting the Charged Property.
15. If any valid enforcement or other notice, claim, order or proposal is made or served by the relevant authority under or by virtue of the Planning Acts or the Environmental Protection Act 1990 in relation to the Charged Property the Mortgagor will immediately produce the same to the Security Trustee and allow the Security Trustee to take a copy of it.
16. The Mortgagor will at their own expense in all respects comply with the requirements of any notice, order or proposal referred to in paragraph 15 above without delay and in any event within any time which may be specified for compliance. Alternatively, if the Security Trustee so requires (acting on the instructions of the Lender(s)), the Mortgagor will make or join with the Security Trustee in making such objections or representations as the Security Trustee may request or approve against or in respect of any such notice, order or proposal.
17. The Mortgagor will not without the previous consent in writing of the Security Trustee (acting on the instructions of the Lender(s)) (and then only to the extent permitted by and in accordance with any conditions attached to that consent) enter into any negotiations with any local or other authority for or consent to the compulsory acquisition of the Charged Property either in whole or in part.
18. If the Security Trustee (acting on the instructions of the Lender(s)) so require, the Mortgagor will permit the Security Trustee to conduct the negotiations and grant the consent referred to in paragraph 17 above on the Mortgagor's behalf.
19. Any compensation payable to or received by the Mortgagor in respect of the compulsory acquisition of the Charged Property or any part of it will, if so and to the extent required by the Security Trustee (acting on the instructions of the Lender(s)), be applied in or towards the discharge of the money due under this Deed.
20. The Mortgagor must not without the previous consent in writing of the Security Trustee (acting on the instructions of the Lender(s)) (and then only to the extent permitted by and in accordance with any conditions attached to such consent):
 - 20.1 exercise or agree to exercise any power of leasing or of accepting surrenders of leases (whether conferred by statute or otherwise) or vary or agree to vary any lease or tenancy agreement or the amounts payable thereunder; or

- 20.2 otherwise part with or share possession or occupation of or dispose of or deal with the Charged Property or any part of it or any interest in it.
21. The Mortgagor shall comply with the terms of any lease or tenancy affecting the Charged Property.
22. The Mortgagor will observe and perform the terms of all conveyances, grants, assignments, transfers, contracts and other deeds and documents from time to time affecting the Charged Property and binding on the Mortgagor.
23. The Mortgagor will keep the Security Trustee and the Lender(s) indemnified against the costs of all proceedings and claims incurred on account of any breach of the terms of the documents referred to in paragraph 22 above.
24. All expenses damages and costs incurred by the Security Trustee or the Lender(s) (or any of them) in relation to any breach referred to in paragraph 23 above will be repaid by the Mortgagor to the Security Trustee on demand together with interest from the date when the Security Trustee or Lender(s) (as applicable) becomes liable for the same until repayment by the Mortgagor at the highest applicable Interest Rate (such interest to be payable in the same manner as interest on the most recent Loan Advance) all of which money and interest shall be Secured Liabilities.
25. The Mortgagor must not without the previous consent in writing of the Security Trustee (acting on the instructions of the Lender(s)) cause or allow any person to be registered under the Land Registration Act 2002 as proprietor of the Charged Property or any part of it.
26. The Mortgagor shall not without the previous consent in writing of the Security Trustee (acting on the instructions of the Lender(s)) (and then only to the extent permitted by and in accordance with any conditions attached to such consent) create or permit to subsist any mortgage, pledge, charge, encumbrance, lien or other security interest in the Charged Property other than this Deed.
27. The Mortgagor shall do anything necessary to complete the security created by this Deed.
28. If the Charged Property comprises agricultural land within the meaning of the Agricultural Holdings Act 1948, the Mortgagor shall manage and farm the Charged Property in accordance with the rules of good estate management and good husbandry as defined by the said Act and not without the written consent of the Security Trustee (acting on the instructions of the Lender(s)) effect or cause or permit to be effected any disposition whereby the Charged Property will or may cease to comprise an entire and single agricultural unit.
29. If the Mortgagor fails to maintain the buildings, fixtures and fittings, services and service media in, on or associated with the Charged Property in the requisite state of repair and condition the Security Trustee and his representatives may (but without being bound to do so) at any time thereafter enter upon the Charged Property or any part of it and execute all remedial works that the Security Trustee considers to be necessary and proper without the Security Trustee thereby becoming liable as mortgagee in possession.
30. If the Mortgagor fails to take immediate steps to commence compliance or fails within the relevant time limit to conclude compliance with the requirements of any notice, order or proposal referred to in paragraph 15 above, the Security Trustee may (but shall not be obliged to) at any time thereafter enter on the Charged Property and execute any works and do anything on the Charged Property necessary to ensure such compliance without the Security Trustee thereby becoming liable as mortgagee in possession. All costs and expenses so incurred by the Security Trustee will be repaid by the Mortgagor to the Security Trustee on demand together with interest from the date when the Security Trustee becomes liable for the same until repayment by the Mortgagor at the highest applicable Interest Rate (such interest to be payable in the same manner as interest on the Loan Advance) all of which money and interest shall be charged on the Charged Property.

EXECUTED as a Deed)
by CEDAR HOMES CORNWALL LTD acting by)
DARREN SHAUN HENDY, a director, in the)
presence of:-)



Signature of witness: P. Courts

Director

Name of witness: PETER COURTIS

Address: BLUEBELL COTTAGE, GODOLPHIN CROSS, TR13 9QY

Occupation: ESTATE AGENT