



Registration of a Charge

Company Name: **BLACKWELL GRANGE JV LIMITED**

Company Number: **14423023**



Received for filing in Electronic Format on the: **02/02/2024**

XCW1TFCA

Details of Charge

Date of creation: **22/01/2024**

Charge code: **1442 3023 0002**

Persons entitled: **DARLINGTON BOROUGH COUNCIL**

Brief description: **ALL THAT FREEHOLD PROPERTY WHICH IS SHOWN EDGED AND HATCHED BLUE ON THE PLAN ATTACHED TO THE LEGAL CHARGE AND BEING LAND ON THE NORTH WEST SIDE OF GRANGE ROAD, DARLINGTON AND BEING PART OF THE LAND REGISTERED AT THE LAND REGISTRY UNDER TITLE NUMBER DU306166**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **SWINBURNE MADDISON LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 14423023

Charge code: 1442 3023 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 22nd January 2024 and created by BLACKWELL GRANGE JV LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 2nd February 2024 .

Given at Companies House, Cardiff on 6th February 2024

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 22 January **2024**

Blackwell Grange JV Limited

and

Darlington Borough Council

Legal Mortgage (Parkland Restoration Works)

relating to

**land on the North West Side of Grange Road,
Darlington**

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This Deed is dated

22 January

2024

Between

- (1) **Blackwell Grange JV Limited** incorporated and registered in England and Wales with company number 14423023 whose registered office is at Esh House, Bowburn North Industrial Estate, Bowburn, Durham, DH6 5PF ("the Transferee"); and
- (2) **Darlington Borough Council** of Town Hall, Darlington, DL1 5QT ("the Transferor").

Background

- (A) Immediately prior to the entering into of this legal mortgage, the Transferor has sold and the Transferee has purchased the Property but the Transferee has agreed to carry out certain works in accordance with the terms of the Contract.
- (B) The Transferee is now the owner of the Property.
- (C) This legal mortgage provides security which the Transferee has agreed to give the Transferor for the carrying out of the Parkland Restoration Works in accordance with Schedule 5 of the Contract.

Agreed Terms

1. **Definitions and Interpretation**

1.1. Definitions:

The definitions and rules of interpretation in this clause apply in this legal mortgage.

"Business Day"

a day (other than a Saturday or a Sunday) on which commercial banks are open for general business in London and deposits are dealt with on the London Interbank Market;

"Charged Property"

that part of the Property shown edged and hatched blue on the Plan;

"Contract"

a contract for the sale of the Property dated [] between (1) the Transferor and (2) the Transferee;

"Costs"

all reasonable and proper costs, charges, expenses, taxes and liabilities of any kind, including (without limitation) reasonable costs and damages in connection with litigation, professional fees, disbursements and any VAT charged on Costs which the Transferor or any Receiver or Delegate may charge or incur in relation to any

	breach of any provision of this legal mortgage by the Transferee;
"Dispose" or "Disposal"	any transfer or assent or licence or deed of grant or charge or a lease for a term in excess of 10 years;
"Delegate"	any person appointed by the Transferor or any Receiver pursuant to clause 8 and any person appointed as attorney of the Transferor, Receiver or Delegate;
"Dwelling"	a residential dwellinghouse (whether detached or semi-detached part of a terrace or otherwise) or a residential maisonette or apartment (to include any affordable housing unit and/or any land upon which an affordable housing unit is to be constructed) and "Dwellings" is to be construed accordingly;
"Encumbrance"	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;
"Event of Default"	means any of the events of default set out in Schedule 5;
"LPA"	the Law of Property Act 1925;
"Parkland Restoration Works"	the "Parkland Restoration Works" as defined in Schedule 5 of the Contract;
"Permitted Disposal"	any of the following: <ul style="list-style-type: none"> (a) any Disposal (including but not limited to any easement or wayleave) to a service authority or utility company which acquires an interest in the Property in order to provide water, gas, electricity, communication services or foul or surface water disposal facilities to or from the Property; (b) any Disposal or dedication of highway (including roads footpaths or cycleways) or of public open space pursuant to a Statutory Agreement; (c) any Disposal at arm's length of a practically complete Residential Unit

	or Residential Units; and/or
	(d) the grant of easements or rights, transfer, lease or dedication to a local or other public authority pursuant to a requirement in an agreement or unilateral undertaking under 106 of the Town and Country Planning Act 1990;
"Plan"	the plan annexed hereto as Annexure 1;
"Property"	all that freehold land at Blackwell Grange, Darlington as more particularly described in Schedule 1;
"Receiver"	a receiver and/or manager of the Charged Property;
"Release"	a Land Registry form DS3 or form DS1 or such other form and or any written consent as shall be appropriate to release (when dated) the Charged Property or any part of parts of the Charged Property from this legal mortgage together with a Land Registry form RX4 to release the relevant part or parts of the Charged Property and/or the Uncharged Property from the restriction(s) which is noted at clauses 3.4 and 3.5 below;
"Residential Unit"	any dwellinghouse apartment or other unit of accommodation (which shall include any garage and/or car parking space whether sold together with such dwellinghouse apartments or other unit of accommodation or by way of separate transaction), including any garden or other curtilage;
"Restrictions"	the covenants and restrictions set out in Part 2 of Schedule 6;
"Rights"	the rights set out in Part 1 of Schedule 6;
"Road Infrastructure"	ways comprising vehicular carriageways footpaths and/or verges with an associated kerbs lighting street furniture vision splays turning areas bridges (and bridge footings and abutments) crossings tunnels and underpasses structures earthworks and supporting banks and mounds and works;
"Secured Liabilities"	(a) all proper and reasonable losses, costs, liabilities and damages incurred by the Transferor as a result of any failure by the

Transferee to comply with its obligations in Schedule 3 of the Contract;

- (b) all proper and reasonable costs and liabilities incurred by the Transferor in taking any steps in accordance with paragraph 9 of Schedule 3 of the Contract,

together with default interest on any amounts that are still due to be paid after the date for payment as stipulated under the terms of this legal mortgage at the rate of 2% per annum above the base rate from time to time of Barclays Bank plc (if any); the period starting on the date of this legal mortgage and ending on the date that all of the Parkland Restoration Works have been carried out and completed in accordance with the provisions of Schedule 5 of the Contract;

"Security Period"

"Services Infrastructure"

pipes wires cables and other conduits for conveyance of water gas electricity light telecommunications and other services (together with any associated sub-stations gas governor houses junction boxes poles and stays inspection chambers and other works and equipment;

"Sewerage Infrastructure"

sewers drains and other sewerage and drainage conduits (with any associated manholes inspection chambers and other equipment and works);

"Statutory Agreement"

any agreement in respect of or affecting the Property under Section 38 and/or 278 of the Highways Act 1980, Section 98/101 and/or 104 of the Water Industry Act 1991 or any provision of similar intent or any agreement with a water authority or a drainage undertaker (within the meaning of the Water Industry Act 1991) or the Environment Agency or an Internal Drainage Board (within the meaning of the Water Resources Act 1991 or the Land Drainage Act 1991) or other appropriate authority as to the water supply to or drainage of foul and/or surface water, any agreement with any appropriate company, authority or body relating to any other services or access and any other agreement with any appropriate company, authority or body;

"Uncharged Property"

all the Property excluding the Charged Property;

"VAT"

value added tax chargeable under the Value Added Tax Act 1994 and any similar replacement and any additional replacement tax.

1.2. Interpretation

In this legal mortgage:

- 1.2.1. a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force for the time being, taking account of any amendment or re-enactment or extension and includes any former statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.2.2. unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.2.3. unless the context otherwise requires, words in the singular shall include the plural and in the plural include the singular.
- 1.2.4. a reference to a clause or Schedule is to a clause of, or Schedule to, this legal mortgage and references to paragraphs are to paragraphs of the relevant Schedule, unless the context otherwise requires.
- 1.2.5. a reference to **this legal mortgage** (or any provision of it) or any other document shall be construed as a reference to this legal mortgage, that provision or that document as it is in force for the time being and as amended in accordance with its terms or with the agreement of the relevant parties.
- 1.2.6. a reference to a person shall include a reference to an individual, firm, company, partnership, corporation, unincorporated body of persons, or any state or any agency of any person.
- 1.2.7. a reference to an amendment includes a novation, re-enactment, supplement or variation (and amended shall be construed accordingly).
- 1.2.8. a reference to assets includes present and future properties, undertakings, revenues, rights and benefits of every description.
- 1.2.9. a reference to an authorisation includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution.
- 1.2.10. a reference to a regulation includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.

1.2.11. a reference to **determines** or **determined** means, unless the contrary is indicated, a determination at the discretion of the person making it.

1.2.12. clause, Schedule and paragraph headings shall not affect the interpretation of this legal mortgage.

1.3. **Nature of security over real property**

A reference in this legal mortgage to a charge or mortgage of or over the Charged Property includes:

1.3.1. all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) and fixed plant and machinery which are situated on or form part of the Charged Property at any time and which are owned by the Transferee;

1.3.2. the proceeds of sale of any part of the Charged Property and any other monies paid or payable in respect of or in connection with the Charged Property;

1.3.3. the benefit of any covenants for title given, or entered into, by any predecessor in title of the Transferee in respect of the Charged Property and any monies paid or payable in respect of those covenants; and

1.3.4. all rights under any licence, agreement for sale or agreement for lease in respect of the Charged Property.

1.4. **Third party rights**

A third party (being any person other than the Transferee, the Transferor and its permitted successors and assigns, any Receiver and any Delegate) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce, or to enjoy the benefit of, any term of this legal mortgage.

1.5. **Schedules**

The Schedules form part of this legal mortgage and shall have effect as if set out in full in the body of this legal mortgage. Any reference to this legal mortgage includes the Schedules.

2. **Grant of Security**

2.1. **Legal mortgage and fixed charges**

As a continuing security for the discharge of the Secured Liabilities, the Transferee with full title guarantee charges to the Transferor by way of first legal mortgage the Charged Property together with the Rights and the benefits of the covenants over the Uncharged Property set out in Schedule 6.

3. **Perfection of Security**

3.1. The Transferee hereby grants with full title guarantee out of the Uncharged Property for the benefit of the Charged Property and the Transferor and its successors in title to the Charged Property and anyone else deriving title from the

Transferor the Rights in common with the Transferee and any other persons lawfully entitled to the same or similar rights.

- 3.2. The Transferee covenants with the Transferor in favour of the Charged Property to observe and perform the Restrictions and it is agreed and declared that:

3.2.1. the benefit of this covenant is to be attached to and enure for each and every part of the Charged Property;

3.2.2. the burden of these covenants is intended to bind and binds each and every part of the Uncharged Property into whosoever hands it may come but not so as to render any owner of the Uncharged Property personally liable for any breach of this covenant arising after the date that party has parted with all interest in the Uncharged Property or the part of the Uncharged Property on which such breach is committed; and

3.2.3. an obligation in the Restrictions set out in Part 2 of Schedule 6 not to do any act or thing includes an obligation not to permit or suffer that act or thing to be done by another person.

- 3.3. The Transferee agrees with the Transferor that it will not Dispose of the Uncharged Property save by way of a Permitted Disposal without ensuring that the grant of the Rights in clause 4.1 will be preserved and the relevant land Disposed of bound by the Restrictions.

- 3.4. The Transferee consents to an application being made by the Transferor to the Land Registrar for the following restriction in Form P to be registered against its title to the Charged Property:

"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 [22 January] 2024 in favour of Darlington Borough Council referred to in the charges register or their conveyancer."

- 3.5. The Transferee consents to an application being made by the Transferor to the Land Registrar for the following restriction in Form P to be registered against its title to the Uncharged Property:

"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 certificate signed by a conveyancer that the provisions of clause 17.5 of a charge dated [22 January] 2024 in favour of Darlington Borough Council have been complied with or do not apply to the disposition."

- 3.6. The Transferor shall, at the reasonable request and cost (such costs to be reasonably and properly incurred) of the Transferee and within not more than 10 Business Days following such reasonable request (where such Statutory Agreement is in a form acceptable to the Transferor (acting reasonably)), consent to and join in any Statutory Agreement for the provision of Services Infrastructure, Sewerage Infrastructure and Road Infrastructure (including for the avoidance of doubt amenity land) on the Property and the Transferee and its successors in title

shall indemnify and keep the Transferor indemnified against all actions, proceedings, claims, demands, losses, costs, expenses, damages and liabilities whatsoever arising from complying with a request of the Transferee pursuant to this clause 3.6.

- 3.7. The Transferor confirms that the restriction set out in clause 3.5 is not intended to be carried forward onto the title of land comprised within a Permitted Disposal and the Transferor consents to the Transferee applying on its behalf to the Land Registry for removal of any such restriction so carried forward.

4. **Liability of The Transferee**

4.1. Liability not discharged

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

- 4.1.1. any security, guarantee, indemnity, remedy or other right held by, or available to, the Transferor that is or becomes wholly or partially illegal, void or unenforceable on any ground; or
- 4.1.2. the Transferor 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
- 4.1.3. any other act or omission, which but for this clause 4.1 might have discharged, or otherwise prejudiced or affected, the liability of the Transferee.

4.2. Immediate recourse

The Transferee waives any right it may have to require the Transferor to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this legal mortgage against the Transferee.

5. **Covenants**

The Transferee covenants with the Transferor in the terms set out in Schedule 2.

6. **Powers of The Transferor**

The Transferor shall have the powers set out in Schedule 3.

7. **Enforcement**

7.1. When security becomes enforceable

The security constituted by this legal mortgage shall be immediately enforceable and the power of sale and other powers given by section 101 of the LPA (as varied or extended by this legal mortgage) shall be immediately exercisable at any time after the occurrence of an Event of Default.

7.2. When statutory powers arise

Section 103 of the LPA shall not apply to this legal mortgage and the statutory power of sale and other powers given by section 101 of the LPA (as varied or extended by this legal mortgage) shall, as between the Transferor and a purchaser, arise on the execution of this legal mortgage and be exercisable at any time after such execution, but the Transferor shall not exercise such power of sale until the security constituted by this legal mortgage has become exercisable under clause 7.1.

7.3. Enforcement of security

After the security constituted by this legal mortgage has become enforceable, the Transferor may in its absolute discretion enforce all or any part of that security at the times, in the manner and on the terms it thinks fit and take possession of and hold or dispose of all or any part of the Charged Property but subject to the terms of this legal mortgage.

7.4. Extension of statutory powers of leasing

The statutory powers of leasing and accepting surrenders are extended so as to authorise the Transferor and any Receiver, at any time after the security constituted by this legal mortgage has become enforceable, whether in its own name or in that of the Transferee, to make any lease or agreement for lease, accept surrenders of leases or grant any option of the whole or any part of the Charged Property with whatever rights relating to other parts of it, containing whatever covenants on the part of the Transferee, generally on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) and whether or not at a premium as the Transferor or Receiver thinks fit without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA.

7.5. Privileges

Each of the Receiver and the Transferor is entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers.

7.6. No liability as mortgagee in possession

Save as required by law, neither the Transferor, any Receiver nor any Delegate shall be liable to account as mortgagee in possession in respect of the Charged Property, nor shall any of them be liable for any loss on realisation of, or for any neglect or default of any nature in connection with, the Charged Property for which a mortgagee in possession might be liable as such.

7.7. Relinquishing possession

If the Transferor, any Receiver or any Delegate enters into or takes possession of the Charged Property, it or they may at any time relinquish possession.

8. Receivers

8.1. Appointment and removal of a Receiver

At any time after the security constituted by this legal mortgage has become enforceable or at the request of the Transferee, the Transferor may, without further notice:

8.1.1. appoint under seal or in writing, by a duly authorised officer of the Transferor, any one or more person or persons to be a receiver or a receiver and manager, of the Charged Property; and

8.1.2. (subject to section 45 of the Insolvency Act 1986) from time to time, under seal or in writing, by a duly authorised officer of the Transferor, remove any person appointed to be Receiver and may, in a similar manner, appoint another in his place.

Where more than one person is appointed Receiver, they shall have power to act separately (unless the appointment by the Transferor specifies to the contrary).

8.2. Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this legal mortgage shall be in addition to all statutory and other powers of the Transferor under the Insolvency Act 1986, the LPA or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA.

8.3. Power of appointment exercisable despite prior appointments

The power to appoint a Receiver (whether conferred by this legal mortgage or by statute) shall be, and remain, exercisable by the Transferor despite any prior appointment in respect of the Charged Property.

9. Powers and Capacity of a Receiver

9.1. Powers of a Receiver

Any Receiver appointed by the Transferor under this legal mortgage shall, in addition to the powers conferred on them by the LPA and the Insolvency Act 1986, have the powers set out in Schedule 4.

9.2. Scope of Receiver's powers

Any exercise of any of the powers of a Receiver by the Receiver may be on behalf of the Transferee, the directors of the Transferee or themselves.

9.3. Receiver is agent of the Transferee

Any Receiver appointed by the Transferor under this legal mortgage shall be the agent of the Transferee and the Transferee shall be solely responsible for their acts and remuneration, as well as for any defaults committed by them. The agency of each Receiver shall continue until the Transferee goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Transferor.

10. **Delegation**

Each of the Transferor and any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this legal mortgage (including the power of attorney granted under clause 14.1). Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Transferor or any Receiver shall think fit. Neither the Transferor nor any Receiver shall be in any way liable or responsible to the Transferee for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

11. **Application of Proceeds**

11.1. Order of application

All monies received by the Transferor, a Receiver or a Delegate (other than sums received pursuant to any insurance policy relating to the Property) pursuant to this legal mortgage after the security constituted by this legal mortgage has become enforceable, shall (subject to the claims of any person having prior rights and by way of variation of the LPA) be applied:

- 11.1.1. first in paying all proper costs, charges and expenses of, and incidental to, the appointment of any Receiver and the exercise of their powers and all outgoings properly paid by them;
- 11.1.2. second in paying the reasonable and proper remuneration of any Receiver (as agreed between the Receiver and the Transferor);
- 11.1.3. third in or towards discharge of the Secured Liabilities in such order and manner as the Transferor determines; and
- 11.1.4. finally in paying any surplus to the Transferee.

11.2. Appropriation

Neither the Transferor, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

12. **Protection of Third Parties**

12.1. Protection of third parties

No purchaser, mortgagee or other person dealing with the Transferor or any Receiver or Delegate shall be concerned:

- 12.1.1. to enquire whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged, or whether the power the Transferor or a Receiver or Delegate is purporting to exercise has become exercisable; or
- 12.1.2. to see to the application of any money paid to the Transferor or any Receiver or Delegate.

12.2. Conclusive discharge to purchasers

The receipt of the Transferor or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of the Charged Property or in making any acquisition in the exercise of their respective powers, the Transferor, every Receiver and every Delegate may do so for such consideration, in such manner and on such terms as it or they think fit.

13. Costs and Indemnity

13.1. Costs

The Transferee shall pay to, or reimburse, the Transferor and any Receiver on demand, on a full indemnity basis, all Costs properly incurred by the Transferor, any Receiver or Delegate in relation to:

- 13.1.1. any breach of the Transferee's obligations in this legal mortgage or the Charged Property;
- 13.1.2. taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Transferor's, Receiver's or Delegate's rights under this legal mortgage; and
- 13.1.3. suing for, or recovering, any of the Secured Liabilities,

(including, without limitation, the Costs of any proceedings in relation to this legal mortgage or the Secured Liabilities), together with interest from day to day until full discharge (whether before or after judgment, liquidation, winding-up or administration of the Transferee) at the rate of 2% per annum above the base rate from time to time of Barclays Bank plc. In the case of any Costs which have not been paid within 5 Business Days of written demand, such interest shall accrue and be payable as from the date on which the relevant Costs arose, without the need for any demand for payment being made.

13.2. Indemnity

The Transferor, any Receiver and any Delegate, and their respective employees and agents, shall be indemnified on a full indemnity basis out of the Charged Property in respect of all actions, liabilities and Costs incurred or suffered in or as a result of:

- 13.2.1. the exercise, or purported exercise, of any of the powers, authorities or discretions vested in them under this legal mortgage; or
- 13.2.2. any matter or thing done, or omitted to be done, in relation to the Property under those powers; or
- 13.2.3. any default or delay by the Transferee in performing any of its obligations under this legal mortgage.

14. **Power of Attorney**

14.1. Appointment of attorneys

By way of security, the Transferee irrevocably appoints the Transferor, every Receiver and every Delegate separately to be the attorney of the Transferee and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things which:

14.1.1. the Transferee is required to execute and do under this legal mortgage; and

14.1.2. any attorney may deem proper or desirable in exercising any of the powers, authorities and discretions conferred by this legal mortgage or by law on the Transferor, any Receiver or any Delegate.

14.2. Ratification of acts of attorneys

The Transferee ratifies and confirms, and agrees to ratify and confirm, anything which any of its attorneys may do in the proper and lawful exercise or purported exercise of all or any of the powers, authorities and discretions referred to in clause 14.1.

15. **Release**

15.1. On the expiry of the Security Period or the earlier discharge of the Secured Liabilities fully in accordance with the terms hereof (but not otherwise), the Transferor shall within 2 Business Days issue a Release to the Transferor and take whatever action is necessary to release and discharge the Charged Property from the security constituted by this legal mortgage and the Uncharged Property from the restrictions registered pursuant to clauses 3.4 and 3.5.

15.2. The Transferor irrevocably appoints the Transferee as the attorney of the Transferor for the purposes of signing any Release which the Transferor is properly required to provide under the provisions of this clause 15 in the event that the Transferor fails to do so in accordance with clause 15.1 (as applicable).

16. **Assignment and Transfer**

The Transferee may not assign or otherwise deal with any of its rights, or transfer any of its obligations, under this legal mortgage or enter into any transaction which would result in any of those rights or obligations passing to another person.

17. **Grant of Easements and Covenants**

17.1. On any sale of the Charged Property or any part of it by the Transferor or a Receiver pursuant to the powers conferred by this Legal Charge, the Transferee will (at its own cost) on demand enter into such deed as the Transferor requires to grant to the purchaser or other disponee the rights for the benefit of the Charged Property over the Uncharged Property set out in Schedule 6, Part 1 and the covenants in favour of the Charged Property at Schedule 6, Part 2 and such other rights and covenants as may reasonably be required for the beneficial use, development and enjoyment of the Charged Property (including but not limited to use for residential development) and the Transferee will (at the cost of the Transferee (such costs to be reasonable and proper)) on demand enter into such

adoption agreements and/or deeds of easement as the Transferor or the relevant utilities supplier may require in respect of the Services Infrastructure and/or Sewerage Infrastructure and/or Road Infrastructure and/or access roads and/or footpaths.

17.2. Following the occurrence of an Event of Default the Transferee shall allow the Transferor or a Receiver to exercise the Rights and such other rights as may reasonably be required for the beneficial use, development and enjoyment of the Charged Property including but not limited to use for residential development.

17.3. Following the occurrence of an Event of Default the Transferee shall observe and perform the Restrictions and such other covenants as may reasonably be required for the beneficial use, development and enjoyment of the Charged Property including but not limited to use for residential development.

17.4. If the Transferee fails to execute any agreements, deed of easement, deed of covenant, dedication and/or adoption agreement in accordance with its obligation in clauses 17.2 and 17.3, the Transferee hereby irrevocably appoints the Transferor its attorney by way of security to execute the relevant deed.

17.5. On or prior to a Disposal (other than a Permitted Disposal) of the Uncharged Property or any part or parts thereof Transferee will (at its own cost) procure that the disponent enters into a deed of covenant with the Transferor in a form and substance satisfactory to the Transferor (acting reasonably and properly) to grant the rights and covenants referred to in Schedule 6 over the Uncharged Property or part or parts thereof in the event that the Transferor or a Receiver requires the grant of the same.

18. **Further Provisions**

18.1. Independent security

This legal mortgage shall be in addition to, and independent of, every other security or guarantee (if any) which the Transferor may hold for any of the Secured Liabilities at any time. No prior security held by the Transferor over the whole or any part of the Charged Property shall merge in the security created by this legal mortgage.

18.2. Continuing security

This legal mortgage shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Secured Liabilities have been discharged in full under the terms hereof.

18.3. Rights cumulative

The rights and powers of the Transferor conferred by this legal mortgage are cumulative, may be exercised as often as the Transferor considers appropriate, and are in addition to its rights and powers under the general law.

18.4. Waivers

Any waiver or variation of any right by the Transferor (whether arising under this legal mortgage or under the general law) shall only be effective if it is in writing and

signed by the Transferor and applies only in the circumstances for which it was given, and shall not prevent the Transferor from subsequently relying on the relevant provision.

18.5. Further exercise of rights

No act or course of conduct or negotiation by or on behalf of the Transferor shall, in any way, preclude the Transferor from exercising any right or power under this legal mortgage or constitute a suspension or variation of any such right or power.

18.6. Single or partial exercise

No single or partial exercise of any right under this legal mortgage shall prevent any other or further exercise of that or any other right.

18.7. Consolidation

The restriction on the right of consolidation contained in section 93 of the LPA shall not apply to this legal mortgage.

18.8. Partial invalidity

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this legal mortgage under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with any modification necessary to give effect to the commercial intention of the parties.

18.9. Counterparts

This legal mortgage may be executed and delivered in any number of counterparts, each of which is an original and which together have the same effect as if each party had signed the same document.

19. **Notices**

19.1. Service

Each notice or other communication required to be given under, or in connection with, this legal mortgage shall be:

19.1.1. in writing, delivered personally or sent by pre-paid first-class recorded delivery letter; and

19.1.2. sent:

19.1.2.1. to the Transferee at Esh House, Bowburn North Industrial Estate, Bowburn, Durham, DH6 5PF marked for the attention of the company secretary;

19.1.2.2. to the Transferor at Town Hall, Darlington, DL1 5QT,

or to such other address as is notified in writing by one party to the other from time to time.

19.2. Receipt of Notices

Any notice or other communication that either party gives shall be deemed to have been received:

19.2.1. if given by hand, at the time of actual delivery; and

19.2.2. if posted, on the second Business Day after the day it was sent by pre-paid first-class recorded delivery.

A notice or other communication given as described in clause 19.2.1 or clause 19.2.2 on a day which is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

20. Governing Law and Jurisdiction

20.1. Governing law

This legal mortgage and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

20.2. Jurisdiction

The parties to this legal mortgage irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this legal mortgage or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall limit the right of the Transferor to take proceedings against the Transferee in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

20.3. Other service

The Transferee irrevocably consents to any process in any proceedings under clause 20.2 being served on it in accordance with the provisions of this legal mortgage relating to service of notices. Nothing contained in this legal mortgage shall affect the right to serve process in any other manner permitted by law.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Schedule 1 – Property

All that freehold property known as land on the north west side of Grange Road,
Darlington as shown edged red on the Plan.

Schedule 2 – Covenants

Part 1 – General Covenants

1. Negative Pledge And Disposal Restrictions

Except in relation to any Disposal permitted by or effected in accordance with clause 3 of this legal mortgage the Transferee shall not at any time, except with the prior written consent of the Transferor (which consent will not be unreasonably withheld or delayed) or save in accordance with clause 17:

- 1.1. create, purport to create or permit to subsist any Encumbrance on or in relation to, the Charged Property other than this legal mortgage; or
- 1.2. sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Charged Property; or
- 1.3. create or grant (or purport to create or grant) any interest in the Charged Property in favour of a third party,

save that the Transferee shall be permitted to grant legal mortgages and legal charges in respect of the Property to sell or otherwise dispose of the Property without the need for consent provided that on or before completion of such legal mortgages, legal charges, sale or other disposal the Transferee will discharge the Secured Liabilities in full.

2. Preservation of the Charged Property

The Transferee shall not do, or knowingly permit to be done, any act or thing which would or might depreciate, jeopardise or otherwise prejudice the security held by the Transferor or materially diminish the value of the Charged Property or the effectiveness of the security created by this legal mortgage but for the avoidance of doubt the Transferee's use of the Charged Property for residential development and the construction thereof shall not constitute a breach of this covenant.

3. Compliance with Laws

The Transferee shall comply with all laws and regulations for the time being in force relating to or affecting the Charged Property and shall obtain and promptly renew from time to time and comply with the terms of all authorisations which may be necessary to enable it to preserve, maintain or renew the Property.

4. Notice of breaches

The Transferee shall, promptly on becoming aware of any of the same, give the Transferor notice in writing of any breach of any covenant set out in this Schedule 2.

5. Further assurance

The Transferee, at its own cost, shall prepare and execute such further legal or other mortgages, charges or transfers (containing a power of sale and such other provisions as the Transferor may reasonably require) in favour of the Transferor as

the Transferor, in its absolute discretion, requires from time to time over all or any part of the Charged Property and give all notices, orders and directions which the Transferor may require, in its absolute discretion, for perfecting, protecting or facilitating the realisation of its security over the Charged Property.

6. Transferee's waiver of set off

The Transferee waives any present or future right of set-off it may have in respect of the Secured Liabilities (including sums payable by the Transferee under this legal mortgage).

Part 2 – Property Covenants

1. Repair and Maintenance

Subject to the right of the Transferee to carry out the development on the Charged Property the Transferee shall not allow the premises, and fixtures and fittings on the Property, to fall into disrepair such as will have an adverse impact upon the Transferor's security and shall carry out such repairs and maintenance as is required to ensure compliance with this covenant provided that the Transferee shall not be required to repair and/or maintain the Charged Property in any better condition than they are as at the date hereof provided that the Transferee's proposed development of the Charged Property in accordance with the terms of the Contract shall not breach this obligation.

2. Insurance

2.1. The Transferee shall insure and keep insured the Charged Property against:

2.1.1. loss or damage by fire or terrorist acts;

2.1.2. other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Transferee; and

2.1.3. any other risk, perils and contingencies as the Transferor may reasonably require.

Any such insurance must be with an insurance company or underwriters of repute and must be for not less than the replacement value of the Charged Property (subject to a reasonable and commercial excess) (meaning in the case of any premises on the Property, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed, together with architects', surveyors', engineers' and other professional fees and charges for demolition and reinstatement).

2.2. The Transferee shall, if requested by the Transferor, produce to the Transferor evidence that the insurance policy relating to the Charged Property is in place.

3. Insurance Premiums

The Transferee:

3.1. shall promptly pay all premiums in respect of each insurance policy relating to the Charged Property and do all other things necessary to keep such policy in full force and effect; and

3.2. shall (if the Transferor so requires) produce to the Transferor the receipts for all premiums and other payments necessary for effecting and keeping up the insurance policies relating to the Charged Property.

4. No Invalidation of Insurance

The Transferee shall not knowingly do or omit to do or permit to be done or omitted any thing that may invalidate or otherwise prejudice the insurance policies relating to the Property.

5. Insurance Policies' Proceeds

The Transferee shall apply all monies payable under any of the insurance policies in respect of the Charged Property at any time (whether or not the security constituted by this legal mortgage has become enforceable) to the making good or recouping expenditure in respect of the loss or damage for which such monies are received or (at the Transferee's option) in or towards discharge or reduction of the Secured Liabilities but otherwise all such monies shall belong to and be paid to the Transferee absolutely.

6. No Restrictive Obligations

The Transferee shall not, without the prior written consent (such consent not to be unreasonably withheld or delayed) (and save to the extent permitted by clause 17) of the Transferor, enter into any onerous or restrictive obligations affecting the whole or any part of the Charged Property or create or permit to arise any overriding interest, easement or right whatsoever in or over the whole or any part of the Property.

7. Proprietary Rights

The Transferee shall use reasonable endeavours to ensure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of the Charged Property, without the prior written consent of the Transferor.

8. Compliance with and Enforcement of Covenants

The Transferee shall observe and perform all covenants, stipulations and conditions to which the Property, or the use of it, is or may be subject.

9. Notices or Claims Relating to the Property

The Transferee shall:

9.1. give full particulars to the Transferor of any notice, order, direction, designation, resolution, application, requirement or proposal given or made by any public or local body or authority ("a Notice") that specifically applies to the Charged Property, or to the locality in which it is situated, within 5 Business Days after becoming aware of the relevant Notice; and

9.2. (if the Transferor so reasonably requires) immediately, and at the cost of the Transferee, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Transferor in making, such objections or representations in respect of any such Notice as the Transferor may desire.

10. Payment of Outgoings

The Transferee shall pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed upon the Property or on its occupier.

11. Inspection

The Transferee shall permit the Transferor and any Receiver and any person appointed by either of them to enter on and inspect the Property on reasonable prior notice.

Schedule 3 – Powers of the Transferor

1. Power to Remedy

1.1. The Transferor shall be entitled (but shall not be obliged) to remedy a breach at any time by the Transferee of any of its obligations contained in this legal mortgage. The Transferee irrevocably authorises the Transferor and its agents to do all such things as are necessary for that purpose. Any monies properly expended by the Transferor in remedying a breach by the Transferee of any of its obligations contained in this legal mortgage shall be reimbursed by the Transferee to the Transferor on a full indemnity basis and shall carry interest in accordance with clause 13.1.

1.2. In remedying any breach in accordance with paragraph 1.1 of this Schedule 3, the Transferor, its agents and their respective officers, agents and employees shall be entitled to enter onto the Charged Property and so much as is reasonably required of the Uncharged Property and to take any action as the Transferor may reasonably consider necessary including, without limitation, carrying out any repairs, other works or development.

2. Exercise of Rights

The rights of the Transferor under paragraph 1 of this Schedule 3 are without prejudice to any other rights of the Transferor under this legal mortgage. The exercise of those rights shall not make the Transferor liable to account as a mortgagee in possession.

3. Transferor has Receiver's Powers

To the extent permitted by law, any right, power or discretion conferred by this legal mortgage on a Receiver may, after the security constituted by this legal mortgage has become enforceable, be exercised by the Transferor in relation to the Charged Property whether or not it has taken possession of the Charged Property and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

4. Indulgence

The Transferor may, at its discretion, grant time or other indulgence or make any other arrangement, variation or release with any person that is not party to this legal mortgage (whether or not such person is jointly liable with the Transferee) in respect of any of the Secured Liabilities or of any other security for them without prejudice either to this legal mortgage or to the liability of the Transferee for the Secured Liabilities.

Schedule 4 – Powers of a Receiver

1. Power to Repair and Develop the Charged Property

A Receiver may undertake or complete any works of repair, alteration, building or development on the Charged Property and may apply for and maintain any planning permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same.

2. Power to Grant or Accept Surrenders of Leases

A Receiver may grant, or accept surrenders of, any leases or tenancies affecting the Charged Property and may grant any other interest or right over the Charged Property on such terms and subject to such conditions as they think fit.

3. Power to Employ Personnel and Advisers

A Receiver may, for the purposes of this Schedule 4, provide services and employ, or engage, such managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on such salaries, for such periods and on such other terms as they think fit. A Receiver may discharge any such person or any such person appointed by the Transferee.

4. Power to Make and Revoke Vat Options to Tax

A Receiver may exercise or revoke any VAT option to tax as they think fit.

5. Power to Charge for Remuneration

A Receiver may charge and receive such reasonable sum by way of remuneration (in addition to all costs, charges and expenses incurred by them) as the Transferor may prescribe or agree with them.

6. Power to Realise the Charged Property

A Receiver may take possession of the Charged Property with like rights.

7. Power to Manage or Reconstruct the Transferee's Business

A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Transferee carried out at the Charged Property.

8. Power to Dispose of the Charged Property

A Receiver may grant options and licences over all or any part of the Charged Property, sell or concur in selling, assign or concur in assigning, lease or concur in leasing and accept or concur in accepting surrenders of leases of, all or any of the Charged Property in respect of which they are appointed for such consideration and, in such manner (including, without limitation, by public auction or private sale) and generally on such terms and conditions as they think fit. A Receiver may promote, or concur in promoting, a company to purchase the Charged Property to be disposed of by them.

9. Power to Sever Fixtures and Fittings

A Receiver may sever and sell separately any fixtures or fittings from the Charged Property without the consent of the Transferee.

10. Power to Give Valid Receipts

A Receiver may give valid receipts for all monies and execute all assurances and things which may be proper or desirable for realising any of the Charged Property.

11. Power to Make Settlements

A Receiver may make any arrangement, settlement or compromise between the Transferee and any other person as they think fit.

12. Power to Bring Proceedings

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to the Charged Property as they think fit.

13. Power to Insure

A Receiver may, if they think fit, but without prejudice to the indemnity in clause 13.2, effect with any insurer any policy of insurance in respect of the Charged Property either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Transferee under this legal mortgage.

14. Powers Under LPA

A Receiver may exercise all powers provided for in the LPA in the same way as if they had been duly appointed under that act and exercise all powers provided for an administrative receiver in Schedule 1 of the Insolvency Act 1986.

15. Power to Borrow

A Receiver may, for any of the purposes authorised by this Schedule 4, raise money by borrowing from the Transferor (or from any other person) on the security of all or any of the Charged Property in respect of which he is appointed on such terms as they think fit (including, if the Transferor consents, terms under which such security ranks in priority to this legal mortgage).

16. Power to Redeem Prior Encumbrances

A Receiver may redeem any prior Encumbrance and settle and pass the accounts to which the Encumbrance relates. Any accounts so settled and passed shall be conclusive and binding on the Transferee, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

17. Power of Absolute Power

A Receiver may do all such acts and things as an absolute owner could do in the ownership and management of the Charged Property or any part of it.

18. Incidental Powers

A Receiver may do all such other acts and things as they may consider incidental or conducive to any of the matters or powers in this Schedule 4, or which they lawfully may or can do as agent for the Transferee.

Schedule 5 – Events of Default

1. For the purposes of this legal charge, it shall be an event of default if:
 - 1.1. the Transferee fails to carry out and complete the Parkland Restoration Works in accordance with Schedule 5 of the Contract by the Parkland Restoration Works Long Stop Date (as defined in the Contract); or
 - 1.2. the making of a winding-up or bankruptcy order against the Transferee and/or the appointment of an administrator, a receiver or liquidator or trustee in bankruptcy in relation to the Transferee or to any of the property or assets or business of the Transferee; or
 - 1.3. any event occurs which would in the reasonable opinion of the Transferor:
 - 1.3.1. entitle the holder of any other security over the Property of the Transferee to:
 - 1.3.1.1. accelerate the payment of sums due to such holder; or
 - 1.3.1.2. crystallise any floating charge granted by the Transferee over the Property;in both cases such as to prejudice the Transferor's security granted by this charge; or
 - 1.4. the Transferee is unable to pay its debts as they fall due or the value of its assets is less than its liabilities (taking into account contingent and prospective liabilities); or
 - 1.5. the Transferee ceases to carry on all or a substantial part of its business or operations such as will (in the Transferor's reasonable opinion) prejudice its security granted by this legal charge.

Schedule 6 – Rights to be Granted and Covenants

Part 1: Rights to be Granted

The following rights over the Uncharged Property in common with the Transferee and all others who have such or similar rights:

1. the right of support and protection for the benefit of the Charged Property (and any building thereon) as is now enjoyed from the Uncharged Property;
2. the right to the uninterrupted passage and running of water, storm and surface water, soil, gas, electricity, telephone, television and radio signals and other radio and microwave and electronic data or communications transmissions and other services and/or supplies through such Services Infrastructure and Sewerage Infrastructure as are now or at any time in the future laid, installed or constructed under, on or over the Uncharged Property together with the right to connect into any Services Infrastructure and Sewerage Infrastructure which are now or at any time in the future in on under or over parts of the Uncharged Property which do not contain Dwellings and the right to lay new Service Infrastructure under the estate roads and other Road Infrastructure from time to time laid out on the Uncharged Property to serve the Charged Property only and the right to the full and free passage and running of water, storm and surface water, soil, gas, electricity, telephone, television, radio signals and other radio and microwave and electronic data or communications transmissions and other services and/or supplies through the same;
3. the right to pass and re-pass for all purposes with or without vehicles of all kinds over all estate roads and spine roads and any other roads and Road Infrastructure now or at any time thereafter constructed on the Uncharged Property together with the right to make a connection from the Charged Property into all estate roads and spine roads and any other roads and Road Infrastructure now or at any time in the future constructed or to be constructed within the Charged Property as the Transferee shall approve (such approval not to be unreasonably withheld or delayed) and thereafter a right to pass and re-pass for all purposes with or without vehicles of all kinds over such connections;
4. the right to pass and re-pass for all purposes:
 - 4.1. on foot over the footpaths, cycleways or bridle paths;
 - 4.2. on bicycles over the cycle paths; and
 - 4.3. on horses or similar animals over the bridle paths,now or at any time in the future constructed on the Uncharged Property;
5. the right upon reasonable prior written notice served upon the Transferee to enter and remain for a reasonable period of time on any part of the Uncharged Property which is unbuilt upon with or without vehicles, plant equipment, machinery, materials and workmen for the purposes set out in paragraphs 2 and 3 above if it is not reasonably practicable or economical to carry out such works without making such entry;

6. to inspect, maintain, clean, unblock, repair, relay, upgrade, reinstate, replace or renew any Services Infrastructure and Sewerage Infrastructure serving the Charged Property in, on or over the parts of the Uncharged Property which do not contain Dwellings; and
7. to inspect, maintain, clean, reinstate, replace, build, repair or renew any building structure or engineering work built on the Charged Property (other than Dwellings) or any boundary feature on the common boundary between the Uncharged Property and the Charged Property if it is not reasonably practical or economical to carry out such works without making such entry;
8. the full and unrestricted right at any time after the date of grant of these rights to erect or permit to be erected any buildings or other erections and to alter any building or other erection erected after the date of the grant of these rights on any part of the Charged Property in such manner as to obstruct or interfere with the passage and access of light and air to any building which is or may be erected on any part of the Uncharged Property and so that all privileges of light and air now or at any time after the date of grant of these rights are to be enjoyed over any part of the Charged Property by or in respect of the Uncharged Property are deemed to be enjoyed by the licence or consent of the Transferor and not as of right;
9. the right to enter onto and remain upon the Uncharged Property at all reasonable times with or without workmen vehicles and machinery as necessary for the purposes of carrying out infrastructure works for the benefit of the Charged Property within such other areas within the Uncharged Property as are reasonably required by the Transferor (and approved by the owner of the appropriate part of the Charged Property) (such approval not to be unreasonably withheld or delayed)) (which for the avoidance of doubt shall include but not be limited to the construction of estate roads, spine roads and any other roads and Road Infrastructure, Services Infrastructure and Sewerage Infrastructure and in connection therewith to break open re-grade fill and carry away the soil of the Uncharged Property) and all ancillary rights necessary for the purposes of performing such works where the Transferee has failed to carry out such works within a reasonable period of time subject to the Transferee paying and indemnifying the Transferor from and against all costs expenses and liabilities incurred in the reasonable and proper exercise of these rights.

All rights of entry are subject to the following conditions:

10. entry can only be exercised so far as and to the extent that the purpose for which the right is exercised cannot reasonably be undertaken without such entry.
11. entry shall not be exercised over the curtilage of any Dwellings.
12. entry can only be exercised at reasonable times of the day after giving reasonable prior written notice (except in an emergency when no notice shall be required).
13. entry can be exercised with and without workmen and appliances if necessary.
14. anyone exercising a right of entry must do as little damage as possible and must make good or pay compensation for any damage that is done.
15. the route of any additional Sewerage Infrastructure or Services Infrastructure to be laid in on or under the Charged Property shall first be agreed by the Transferee or

(if different) the owner of the Charged Property (such agreement not to be unreasonably withheld or delayed).

Part 2: Covenants

The restrictions are the following:

16. not to cause or allow or permit any obstruction to any Road Infrastructure, Services Infrastructure and/or Sewerage Infrastructure in on or under the Uncharged Property;
17. not to do or permit or suffer on the Uncharged Property anything that is a legal nuisance;
18. not to cause or permit or allow to be caused any damage to the Charged Property or to any property of the owners or occupiers of the Charged Property;
19. not deposit any waste, rubbish, soil or other material on any part of the Charged Property,

PROVIDED ALWAYS that the use of the Property for the purpose of a residential development and prior to that the construction works required in connection with the residential development of the Property shall not constitute a breach of this Legal Charge.

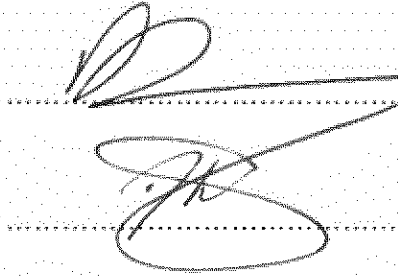
Executed as a deed

by Blackwell Grange JV Limited

acting by two directors or

a director and company secretary

or a director in the presence of:



Signed by Witness

Name:

Address:

Occupation:

Executed as a deed

by affixing the common seal of Darlington Borough Council

In the presence of:

Authorised Signatory

Annexure 1 – Legal Charge Plan

