



Registration of a Charge

Company Name: **MARTIN GRANT HOMES LIMITED**

Company Number: **01363485**



XCE9XS6V

Received for filing in Electronic Format on the: **16/10/2023**

Details of Charge

Date of creation: **05/10/2023**

Charge code: **0136 3485 0325**

Persons entitled: **DERRICK CHAPPELL AND MARY DIANA CHAPPELL**

Brief description: **PART OF THE LAND AT COKERHURST FARM, WEMBDON HILL,
BRIDGWATER, TA6 7QA**

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: **CLARKE WILLMOTT LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1363485

Charge code: 0136 3485 0325

The Registrar of Companies for England and Wales hereby certifies that a charge dated 5th October 2023 and created by MARTIN GRANT HOMES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 16th October 2023 .

Given at Companies House, Cardiff on 18th October 2023

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 5 October 2023

(1) MARTIN GRANT HOMES LIMITED

(2) DERRICK CHAPPELL and DIANA MARY CHAPPELL

LEGAL CHARGE
relating to

Land at Cokerhurst Farm, Wembdon Hill, Wembdon, Bridgwater (TA6 7QA)

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THIS LEGAL CHARGE is dated 5 October 2023

PARTIES

- (1) **MARTIN GRANT HOMES LIMITED** (Company Registration Number 01363485) whose registered office is at Grant House, Felday Road, Abinger Hammer, Dorking, Surrey RH5 6QP (Chargor);
- (2) **DERRICK CHAPPELL** and **MARY DIANA CHAPPELL**, both of Cokerhurst Farm, Wemdon Hill, Wemdon, Bridgwater (TA6 7QA) (Chargee).

BACKGROUND

- (A) By a transfer dated the same date as this legal charge the Chargor purchased from the Chargee freehold property registered with title numbers ST213490, ST243695, ST351278 and ST161403 (Transfer);
- (B) The First Deferred Payment and the Second Deferred Payment being part of the purchase price under the Transfer have been left outstanding of which the First Deferred Payment is due for payment on or before Deferred Payment Date 1 and the Second Deferred Payment is due for payment on or before Deferred Payment Date 2.
- (C) It is intended by the parties to this document that it takes effect as a deed.

AGREED TERMS

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

The following definitions apply in this legal charge:

Affordable Housing Land: any part of the Property on which Affordable Housing Units have been constructed, are in the course of being constructed or are intended to be constructed;

Affordable Housing Units: any residential units identified as affordable housing together with a reasonable curtilage and any areas designated for use by such residential units (including but not limited to accessways and parking areas);

Area 1: the parts of the Property shown coloured purple on the Plan;

Area 2: the parts of the Property shown coloured yellow on the Plan;

Business Day: a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business;

Default Rate: interest at the rate of 4% per annum above the base lending rate of The Bank of England in force from day to day;

Deferred Payment Date 1: the next Business Day nine (9) months from the date of this Deed;

Deferred Payment Date 2: the next Business Day twenty-one (21) months from the date of this Deed;

Environment: the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media;

Environmental Law: all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice and guidance notes in so far as they relate to or apply to the Environment;

Environmental Licence: any authorisation, permit or licence necessary under Environmental Law in respect of the Property;

Event of Default: one or more of the following events occurs:

(a) the Chargor fails to pay the First Deferred Payment on or before Deferred Payment Date 1 unless its failure to pay is caused by an administrative error or technical problem and payment is made within 10 Business Days of Deferred Payment Date 1;

(b) the Chargor fails to pay the Second Deferred Payment on or before Deferred Payment Date 2 unless its failure to pay is caused by an administrative error or technical problem and payment is made within 10 Business Days of Deferred Payment Date 2;

(c) the Chargor suffers an Insolvency Event; **First Deferred Payment:** three Million Four Hundred and Thirty-Six Thousand Five Hundred and Seventy-Six Pounds (£3,436,576);

Infrastructure Agreements:

any agreement under section 106 of the Town and Country Planning Act 1990, the Local Government (Miscellaneous Provisions) Act 1982, section 38 and/or section 278 of the Highways Act 1980, section 104 of the Water Industry Act 1991 or otherwise relating to the Property or any part of it and/or any agreement (including wayleaves) or deed with regard to the development of or the provision of access or services to the Property or any part of it;

Insolvency Event:

the occurrence of any of the following:

- (a) a winding up order is made against the Chargor;
- (b) an administrator or receiver is appointed in respect of the Chargor;
- (c) a voluntary winding up of the Chargor is commenced except a winding up for the purpose of amalgamation or reconstruction of a solvent company;
- (d) the Chargor is struck off from the Register of Companies;
- (e) the Chargor otherwise ceases to exist;

Insurance Policy:

each contract or policy of insurance effected or maintained by the Chargor from time to time in respect of the Property;

LPA 1925:

the Law of Property Act 1925;

Managed Land:

any of the following which do not form part of a completed dwelling unit: parking spaces, vehicle changing points, accessways, courtyards and similar, all hard and soft landscaped areas, play areas, lighting, signage, security facilities, recycling points, litter bins and bin stores, gates and related access devices, fences and boundary structures, installations relating to the supply and disposal of services, buildings and structures on the Managed Land, communal post collection, dispatch or storage facilities, cycle stores, any other communal areas or facilities and any other land intended to be designated for any such purposes pursuant to any planning obligation or Management Scheme;

Management Scheme:

the arrangements that are in place or are intended to be put in place to govern the ongoing management of completed dwelling units and land to be used in common by or which accommodates

facilities which are designated for use in common by some or all of the completed dwelling units.

Permitted Disposals: any one or more of the following as applicable:

- (a) any disposal (whether by way of transfer of the freehold, the grant of a lease or otherwise) of any part or parts of the Property upon which electricity substation, gas governor, sewers, or pumping station, energy centre, combined heat and power plant or similar or other statutory services, service media or infrastructure have been or are to be constructed or installed and the immediate curtilage of the same together with ancillary easements over the Property;
- (b) the grant or entry into of any easement, wayleave, covenant, or other agreement or encumbrance over or affecting the Property which is reasonably required in connection with the development permitted by the Planning Permission;
- (c) any licence to carry out works in connection with the development permitted by the Planning Permission on the Property which does not carry the right to permanently occupy;
- (d) any disposal (whether by way of transfer of the freehold, the grant of a lease or otherwise), the grant of easement or wayleave to a service provider or to the local authority or to the highway authority or other public bodies for the purpose of access, improvement or services or pursuant to an obligation in an Infrastructure Agreement required in connection with the development permitted by the Planning Permission;
- (e) any disposal (whether by way of transfer of the freehold, the grant of a lease or otherwise) of any part of the Property for open space in compliance with obligations contained in an Infrastructure Agreement which will include for the avoidance of any doubt a disposal or dedication of any roads, cycleways or footpaths with the intent that they be maintained at the public expense;

(f) the grant of any easements constructed over the Property for the benefit of any dwelling constructed outside of the Property pursuant to the Planning Permission;

(g) any disposal of any part of the Property to a local authority or other statutory body pursuant to the Section 106 Agreement affecting the Property or any variation thereof;

(h) a disposal of Affordable Housing Land;

(i) any Managed Land; and

(j) the grant or reservation of any easements pursuant to a disposal referred to above;

Permitted Security: any floating charge entered in by the Chargor over all of its assets and undertaking whether before the date of this deed or following the date of this deed;

Plan: the plan annexed to this deed;

Planning Permission: planning permission for the development of the Property granted before or after the date of this deed;

Property: together Area 1 and Area 2, being part of the land transferred under the Transfer;

Receiver: a receiver or a receiver and manager appointed by the Chargee in respect of any part or parts of the Property;

Second Deferred Payment: three Million Ninety Five Thousand Two Hundred and Five Pounds (£3,095,205);

Secured Liabilities: the Chargor's obligations to pay the First Deferred Payment and the Second Deferred Payment together with default interest (if any) arising under clause 2.2 and costs arising under clause 16.1 (if any);

Security: any mortgage, legal charge, pledge or lien, over the Property;

1.2 Interpretation

In this legal charge:

1.2.1 clause and Schedule headings shall not affect the interpretation of this legal charge.

1.2.2 a reference to a **person** shall include a reference to an individual, firm,

- company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality);
- 1.2.3 unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- 1.2.4 unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- 1.2.5 a reference to a party shall include that party's successors, permitted assigns and permitted transferees and this deed shall be binding on, and enure to the benefit of, the parties to this deed and their respective personal representatives, successors, permitted assigns and permitted transferees;
- 1.2.6 a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- 1.2.7 a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- 1.2.8 a reference to **writing** or **written** does not include fax or email;
- 1.2.9 an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- 1.2.10 a reference to **this deed** (or any provision of it) or to any other agreement or document referred to in this deed is a reference to this deed, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this deed) from time to time;
- 1.2.11 unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this legal charge;
- 1.2.12 any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- 1.2.13 a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and **amended** shall be construed accordingly);
- 1.2.14 a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.2.15 a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarialisation, registration and resolution;
- 1.2.16 a reference to **continuing** in relation to an Event of Default means an Event of Default that has not been remedied or waived;
- 1.2.17 a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it;
- 1.2.18 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; and

1.3 Nature of security over real property

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

1.3.1 all buildings and fixtures and fittings/situated on or form part of the Property at any time; and

1.3.2 the benefit of any covenants for title given, or entered into, by any predecessor in title of the Chargor in respect of the Property

1.4 Perpetuity period

If the rule against perpetuities applies to any trust created by this legal charge, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

2 COVENANT TO PAY

2.1 Deferred Payment

The Chargor shall pay to the Chargee the First Deferred Payment on or before Deferred Payment Date 1 and the Second Deferred Payment on or before Deferred Payment Date 2.

2.2 Interest

In the event that the Chargor shall fail to pay the First Deferred Payment on Deferred Payment Date 1 or the Second Deferred Payment on Deferred Payment Date 2, the Chargor shall pay interest at the Default Rate on the amount unpaid from the Deferred Payment Date 1 or Deferred Payment Date 2 (as applicable) until the date of actual payment.

3 GRANT OF SECURITY

Legal Charge and fixed charges

As a continuing security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee charges to the Chargee by way of first legal charge, the Property

4 PERFECTION OF SECURITY

4.1 Registration of Legal Charge at the Land Registry

The Chargor consents to an application being made by the Chargee to the Land Registrar for the following restriction in Form P to be registered against its title to the Property:

"No disposition of the part of the registered estate [hatched blue] on the title plan 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 2023 in favour of Derrick Chappell and Diana Mary Chappell referred to in the charges register or their conveyancer."

4.2 Cautions against first registration and notices

Whether or not title to the Property is registered at the Land Registry, if any caution against first registration or any notice (whether agreed or unilateral) is registered against the Chargor's title to the Property, the Chargor shall immediately provide the Chargee with full particulars of the circumstances relating to such caution or notice. If such caution or notice was registered to protect a purported interest the creation of which is not permitted under this deed, the Chargor shall immediately, and at its own expense, in so far as consistent with the Chargor's proposed development of the Property pursuant to the Planning Permission, take such steps as the Chargee may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.

5 LIABILITY OF THE CHARGOR

5.1 Liability not discharged

The Chargor's liability under this legal charge in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by the Chargee concurring in, accepting or vaying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person.

5.2 Immediate recourse

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

6 REPRESENTATIONS AND WARRANTIES

6.1 Times for making representations and warranties

The Chargor makes the representations and warranties set out in this clause 6 to the Chargee on the date of this deed.

6.2 No breaches

The entry into of this legal charge by the Chargor does not and will not constitute a breach of any policy, agreement, document, instrument or obligation binding on the Chargor or its assets.

6.3 Avoidance of security

No Security expressed to be created under this legal charge is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Chargor or otherwise.

6.4 Enforceable security

This legal charge constitutes and will constitute the legal, valid, binding and enforceable obligations of the Chargor and is and will continue to be effective security over all and every part of the Property in accordance with its terms.

7 GENERAL COVENANTS

7.1 Negative pledge and disposal restrictions

The Chargor shall not at any time, except with the prior written consent of the Chargee:

7.1.1 create, purport to create or permit to subsist any Security on, or in relation to, the Property other than any Security created by this legal charge or any Permitted Security;

7.1.2 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 Property other than any Permitted Disposal; or

7.1.3 create or grant (or purport to create or grant) any interest in the Property in favour of a third party other than pursuant to any Permitted Disposal.

7.2 Preservation of Charged Property

The Chargor shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Chargee or materially diminish the value of the Property or the effectiveness of the security created by this deed. Provided always that development of the Property pursuant to the Planning Permission shall not amount to a breach of this obligation.

7.3 Compliance with laws and regulations

7.3.1 The Chargor shall not, without the Chargee's prior written consent, use or permit the Property to be used in any way contrary to law.

7.3.2 The Chargor shall in so far as consistent with the Chargor's proposed development of the Property pursuant to the Planning Permission:

7.3.2.1 comply with the requirements of any law or regulation relating to or affecting the Property or the use of it or any part of it;

7.3.2.2 obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Property or its proposed use or that are necessary to preserve, maintain or renew any Property; and

7.3.2.3 promptly effect any maintenance, modifications, alterations or repairs to be effected on or in connection with the Property that are required to be made by it under any law or regulation.

7.4 Enforcement of rights

The Chargor shall use its reasonable endeavours, to the extent necessary for the development of the Property pursuant to the Planning Permission to:

7.4.1 procure the prompt observance and performance by the relevant counterparty to any agreement or arrangement with the Chargor and forming part of the Property of the material covenants and other material obligations imposed on such counterparty; and

7.4.2 enforce any material rights and institute, continue or defend any material

proceedings relating to the Property that the Chargee may reasonably require from time to time.

Provided always that the Chargor shall be entitled to waive or release or vary any such covenants, stipulations and conditions if the value of the land and buildings which remain as security under this legal charge shall not be reduced to a sum equal to or less than such amount as shall be considered by the Chargor's surveyor (acting reasonably) to be adequate from time to time to secure properly the Secured Liabilities.

7.5 Chargor's waiver of set-off

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

8 PROPERTY COVENANTS

8.1 Insurance

8.1.1 The Chargor shall insure and keep insured the Property against such risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Chargor; and

8.1.2 The Chargee shall, if requested by the Chargee, produce to the Chargee a broker's letter confirming details of each Insurance Policy obtained by the Chargor pursuant to clause 8.1.1.

8.2 Insurance premiums

The Chargor shall promptly pay all premiums in respect of each Insurance Policy and do all other things necessary to keep that policy in full force and effect.

8.3 No invalidation of insurance

The Chargor shall not do or omit to do, or permit to be done or omitted, any act or thing that may invalidate or otherwise prejudice any Insurance Policy.

8.4 Leases and licences affecting the Property

Subject to the Permitted Disposals, the Chargor shall not, without the prior written consent of the Chargee:

8.4.1 grant any licence or tenancy affecting the whole or any part of the Property, or exercise the statutory powers of leasing or of accepting surrenders under section 99 or section 100 of the LPA 1925 (or agree to grant any such licence or tenancy, or agree to exercise the statutory powers of leasing or of accepting surrenders under section 99 or section 100 of the LPA 1925);

8.4.2 in any other way dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of the Property (or agree to dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of the Property);

8.4.3 let any person into occupation of or share occupation of the whole or any part of the Property; or

8.4.4 grant any consent or licence under any lease or licence affecting the

Property.

8.5 No restrictive obligations

Subject to the Permitted Disposals, the Chargor shall not, without the prior written consent of the Chargee, enter into any onerous or restrictive obligations affecting the whole or any part of the Property or create or permit to arise any overriding interest, easement or right whatever in or over the whole or any part of the Property which in all cases would have a material adverse effect on the value of the Property.

8.6 Proprietary rights

Subject to the Permitted Disposals, the Chargor shall use reasonable endeavours to procure that no person shall become entitled to any proprietary or other like right or interest over the whole or any part of the Property which would have a material adverse effect on the value of the Property, without the prior written consent of the Chargee.

8.7 Compliance with and enforcement of covenants

The Chargor shall, insofar as consistent with the Chargor's proposed development of the Property pursuant to the Planning Permission:

8.7.1 observe and perform all material covenants, stipulations and conditions to which the Property, or the use of it, is or may be subject and (if the Chargee so requires) produce to the Chargee evidence sufficient to satisfy the Chargee that those covenants, stipulations and conditions have been observed and performed; and

8.7.2 diligently enforce all material covenants, stipulations and conditions benefiting the Property and shall not (and shall not agree to) waive, release or vary any of the same

Provided always that the Chargor shall be entitled to waive or release or vary any such covenants, stipulations and conditions if the value of the land and buildings which remain as security under this legal charge shall not be reduced to a sum equal to or less than such amount as shall be considered by the Chargor's surveyor (acting reasonably) to be adequate from time to time to secure properly the Secured Liabilities.

8.8 Notices or claims relating to the Property

8.8.1 The Chargor shall:

8.8.1.1 give full particulars to the Chargee 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 Property, within seven days after becoming aware of the relevant Notice; and

8.8.1.2 (if the Chargee so requires) immediately, and at the cost of the Chargor, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Chargee in making, any objections or representations in respect of that Notice that the Chargee acting reasonably thinks fit provided that such action does not adversely affect development of the Property pursuant to the Planning Permission.

8.8.2 The Chargor shall give full particulars to the Chargee of any claim, notice or other communication served on it in respect of any modification, suspension or revocation of any Environmental Licence or any alleged breach of any Environmental Law, in each case relating to the Property.

8.9 Payment of outgoings

The Chargor 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.

9 CHARGEЕ COVENANTS

9.1 Infrastructure Agreements

The Chargee covenants with the Chargor that if reasonably requested by the Chargor (and subject to the Chargor paying the reasonable and proper professional fees of the Chargee in relation to such matter(s)) the Chargee will within 10 Business Days of the date of the Chargor's request:

9.1.1 enter into any Infrastructure Agreement in order to consent to and acknowledge its terms provided that no liability or other obligations of any nature shall thereby be placed on the Chargee under such Infrastructure Agreement unless the Chargee enters into possession of the Property; and

9.1.2 provide such written consent as is required under the terms of the Land Registry restriction referred to in clause 4.1 so as to enable the Infrastructure Agreement to be registered against the title to the Property.

9.2 Permitted Disposals

The Chargee covenants with the Chargor that whenever requested by the Chargor the Chargee will within 10 Business Days of the date of the Chargor's request execute and deliver to the Chargor an appropriate consent and/or where necessary a release (being an executed Land Registry Form DS3 and/or RX4 or such other form or method which may be required from time to time pursuant to the appropriate Land Registry Rules then applying) in respect of any Permitted Disposal subject to the Chargor covering any reasonable and proper professional fees of the Chargee in so doing.

10 POWERS OF THE CHARGEЕ

10.1 Power to remedy

After the security constituted by this legal charge has become enforceable:

10.1.1 The Chargee shall be entitled (but shall not be obliged) to remedy a material breach by the Chargor of any of its obligations contained in this legal charge that would have the effect of depreciating jeopardising or prejudicing the security held by the Chargee or would materially diminish the value of the Property if the Chargor has failed to remedy such breach within a reasonable period after being notified of the same by the Chargee; and

10.1.2 The Chargor irrevocably authorises the Chargee and its agents to do all things that are reasonably necessary or desirable for that purpose.

10.2 Exercise of rights

The rights of the Chargee under clause 10.1 are without prejudice to any other rights of the Chargee under this deed. The exercise of any rights of the Chargee under this legal charge shall not make the Chargee liable to account as a mortgagee in possession.

10.3 Chargee has Receiver's powers

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

10.4 Indulgence

The Chargee may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this legal charge (whether or not any person is jointly liable with the Chargor) in respect of any of the Secured Liabilities or of any other security for them without prejudice either to this deed or to the liability of the Chargor for the Secured Liabilities.

11 WHEN SECURITY BECOMES ENFORCEABLE

11.1 Security becomes enforceable on Event of Default

The security constituted by this deed shall be immediately enforceable if an Event of Default occurs which is continuing.

11.2 Discretion

After the security constituted by this legal charge has become enforceable, the Chargee may, in its absolute discretion, by notice in writing to the Chargor 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 Property.

12 ENFORCEMENT OF SECURITY

12.1 Enforcement powers

12.1.1 The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this deed) shall arise on and be exercisable at any time after the security constituted by this legal charge has become enforceable under clause 11.1.

12.1.2 Section 103 of the LPA 1925 does not apply to the security constituted by this legal charge.

12.2 Extension of statutory powers of leasing

The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and by any other statute are extended so as to authorise the Chargee and any Receiver, at any time after the security constituted by this legal charge has become enforceable, whether in its own name or in that of the Chargor, to:

12.2.1 grant a lease or agreement for lease;

12.2.2 accept surrenders of leases; or

12.2.3 grant any option in respect of the whole or any part of the Property with whatever rights relating to other parts of it,

whether or not at a premium and containing such covenants on the part of the Chargor and on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) as the Chargee or Receiver acting reasonably thinks fit, without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA 1925.

12.3 Protection of third parties

No purchaser, mortgagee or other person dealing with the Chargee, or any Receiver shall be concerned to enquire:

12.3.1 whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;

12.3.2 whether any power the Chargee, or a Receiver is purporting to exercise has become exercisable or is properly exercisable; or

12.3.3 how any money paid to the Chargee, or any Receiver is to be applied.

12.4 Privileges

Each Receiver and the Chargee is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers.

12.5 No liability as mortgagee in possession

Neither the Chargee, nor any Receiver shall be liable to account as mortgagee in possession in respect of the 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 Property for which a mortgagee in possession might be liable as such.

12.6 Relinquishing possession

If the Chargee, or any Receiver enters into or takes possession of the Property, it or he may at any time relinquish possession.

12.7 Conclusive discharge to purchasers

The receipt of the Chargee or any Receiver shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Property or in making any acquisition in the exercise of their respective powers, the Chargee, and every Receiver may do so for any consideration, in any manner and on any terms that it or he thinks fit.

13 RECEIVERS

13.1 Appointment

At any time after the security constituted by this deed has become enforceable, or at

the request of the Chargor, the Chargee may, following written notice to the Chargor, appoint by way of deed, or otherwise in writing, any one or more person or persons to be a Receiver of all or any part of the Property.

13.2 Removal

The Chargee may, without further notice (subject to section 45 of the Insolvency Act 1986), from time to time, by way of deed, or otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

13.3 Remuneration

The Chargee acting reasonably may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925 and the remuneration of the Receiver shall be a debt secured by this deed, to the extent not otherwise discharged.

13.4 Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this deed shall be in addition to all statutory and other powers of the Chargee under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.

13.5 Power of appointment exercisable despite prior appointments

The power to appoint a Receiver (whether conferred by this deed or by statute) shall be, and remain, exercisable by the Chargee despite any prior appointment in respect of all or any part of the Property.

13.6 Agent of the Chargor

Any Receiver appointed by the Chargee under this deed shall be the agent of the Chargor and the Chargor shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of each Receiver shall continue until the Chargor goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Chargee.

14 POWERS OF RECEIVER

14.1 Confirmation of powers

The rights and powers of any Receivers granted by this clause 14 are subject to the Receiver having been properly appointed under clause 13.

14.2 Powers additional to statutory powers

14.2.1 Any Receiver appointed by the Chargee under this deed shall, in addition to the powers conferred on him by statute, have the powers set out in clause 14.3 to clause 14.16.

14.2.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this deed

individually and to the exclusion of any other Receiver.

14.2.3 Any exercise by a Receiver of any of the powers given by clause 14 may be on behalf of the Chargor, or himself.

14.3 Repair and develop the Property

A Receiver may undertake or complete any works of repair, alteration, building or development on the 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.

14.4 Grant or accept surrenders of leases

A Receiver may grant, or accept, surrenders of any leases or tenancies affecting the Property on any terms and subject to any conditions that he thinks fit.

14.5 Employ personnel and advisers

A Receiver may provide services and employ, or engage, any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and subject to any conditions, that he thinks fit. A Receiver may discharge any such person or any such person appointed by the Chargor.

14.6 Charge for remuneration

A Receiver may charge and receive any sum by way of remuneration (in addition to all reasonable costs, charges and expenses incurred by him) that the Chargee acting reasonably may prescribe or agree with him.

14.7 Realise Property

A Receiver may collect and get in the Property or any part of it in respect of which he is appointed and make any demands and take any proceedings as may seem expedient for that purpose, and take possession of the Property with like rights.

14.8 Dispose of Charged Property

A Receiver may grant options and licences over all or any part of the Property, grant any other interest or right over, sell, assign or lease (or concur in granting options and licences over all or any part of the Property, granting any other interest or right over, selling, assigning or leasing) all or any of the Property in respect of which he is appointed for such consideration and in such manner (including, without limitation, by public auction or private sale) and generally on any terms and conditions that he thinks fit.

14.9 Sever fixtures and fittings

A Receiver may sever and sell separately any fixtures or fittings owned by the Chargor from the Property without the consent of the Chargor.

14.10 Give valid receipts

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

14.11 Make settlements

A Receiver may make any arrangement, settlement or compromise between the Chargor and any other person that he may think expedient relating to the Property.

14.12 Bring proceedings

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Property that he thinks fit.

14.13 Insure

A Receiver may, if he thinks fit, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Chargor under this legal charge.

14.14 Powers under LPA 1925

A Receiver may exercise all powers provided for in the LPA 1925 in the same way as if he had been duly appointed under the LPA 1925 and exercise all powers provided for an administrative receiver in Schedule 1 to the Insolvency Act 1986.

14.15 Redeem prior Security

A Receiver may redeem any prior Security and settle the accounts to which the Security relates. Any accounts so settled shall be, in the absence of any manifest error, conclusive and binding on the Chargor, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

14.16 Incidental powers

A Receiver may do any other acts and things:

14.16.1 that he may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this legal charge or law; or

14.16.2 that he lawfully may or can do as agent for the Chargor.

15 APPLICATION OF PROCEEDS

15.1 Order of application of proceeds

All monies received by the Chargee, or a Receiver under this deed after the security constituted by this deed has become enforceable, shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority:

15.1.1 in or towards payment of or provision for all costs, charges and expenses incurred by or on behalf of the Chargee (and any Receiver, attorney or agent appointed by it) under or in connection with this deed and of all remuneration due to any Receiver under or in connection with this deed;

15.1.2 in or towards payment of or provision for the Secured Liabilities in any order and manner that the Chargee determines; and

15.1.3 in payment of the surplus (if any) to the Chargor or other person entitled to

it.

15.2 Appropriation

Neither the Chargee, nor any Receiver shall be bound (whether by virtue of section 109(8) of the LPA 1925, 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.

16 COSTS

16.1 Costs

The Chargor shall, within ten Business Days of receipt of a written demand, pay to, or reimburse, the Chargee and any Receiver all reasonable costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses) reasonably and properly incurred by the Chargee, or any Receiver in connection with:

16.1.1 enforcing (or attempting to do so) any of the Chargee's or a Receiver's rights under this deed; or

16.1.2 taking proceedings for, or recovering, any of the Secured Liabilities; or

16.1.3 providing any consent or entering into any document requested by the Chargor pursuant to this legal charge.

17 FURTHER ASSURANCE

In the event that this charge becomes enforceable, the Chargor shall, at its own expense, prepare and execute such further legal or other mortgages, charges, or transfers (containing a power of sale and such other provisions as the Chargee may reasonably require) in favour of the Chargee as the Chargee requires from time to time over all or any part of the Property and give all notices, orders and directions which the Chargee may reasonably require for facilitating the realisation of its security over the Property.

18 POWER OF ATTORNEY

18.1 Appointment of attorneys

18.1.1 By way of security and only following an Event of Default that is continuing the Chargor irrevocably appoints the Chargee and every Receiver separately to be the attorney of the Chargor and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that

18.1.1.1 the Chargor is required to execute and do under this legal charge; and

18.1.1.2 any attorney may deem proper or desirable in exercising any of the powers, authorities and discretions conferred by this deed or by law on the Chargee or any Receiver.

18.1.2 By way of security, the Chargee irrevocably appoints the Chargor to be the

attorney of the Chargee and in its name, on its behalf and as its act and deeds, to execute any documents and do any acts on things that the Chargee is required to execute and do under this legal charge.

18.2 Ratification of acts of attorneys

18.2.1 The Chargor ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 18.1.1.

18.2.2 The Chargee ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise or purported exercise of all or any of the rights, powers, authorities and discretions referred to in clause 18.1.2.

19 RELEASE

19.1 As soon as practicable following payment of the First Deferred Payment the Chargee shall, subject to the Chargor paying the Chargee's reasonable legal fees, take whatever action is necessary to:

19.1.1 procure the release of Area 1 from the security constituted by this deed; and

19.1.2 procure the amendment of the restriction registered against the title to the Property pursuant to clause 4.1 (such that it applies only to Area 2).

19.2 As soon as practicable following payment of the Second Deferred Payment and all other Secured Liabilities (if any), the Chargee shall, subject to the Chargor paying the Chargee's reasonable legal fees, take whatever action is necessary to:

19.2.1 procure the release of Area 2 from the security constituted by this deed; and

19.2.2 procure the removal of the restriction registered against the title to the Property pursuant to clause 4.1.

20 ASSIGNMENT AND TRANSFER

The Chargee shall not assign or transfer or otherwise deal with any or all of their rights and obligations under this legal charge or enter into any transaction which would result in any of those rights or obligations passing to a third party.

21 AMENDMENTS, WAIVERS AND CONSENTS

21.1 Amendments

No amendment of this legal charge shall be effective unless it is in writing and signed by, or on behalf of, each party (or its authorised representative).

21.2 Waivers

21.2.1 A waiver of any right or remedy under this legal charge or by law is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any other breach or default. It only applies in the

circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.

21.2.2 A failure to exercise or a delay in exercising any right or remedy provided under this legal charge or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this legal charge. No single or partial exercise of any right or remedy provided under this legal charge or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this legal charge by the Chargee shall be effective unless it is in writing.

21.3 Consent

Where in this legal charge there is provision for any matter to be the subject of the Chargee's consent or approval such consent shall not be unreasonably withheld or delayed and shall be deemed to be given unless the Chargee has objected to and given full reasons for such objections within 10 Business Days of any request for such consent or approval.

21.4 Rights and remedies

The rights and remedies provided under this legal charge are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.

22 SEVERANCE

If any provision (or part of a provision) of this legal charge or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this legal charge.

23 COUNTERPARTS

This legal charge may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.

24 THIRD PARTY RIGHTS

Except as expressly provided elsewhere in this legal charge, a person who is not a party to this deed shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this legal charge. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.

25 FURTHER PROVISIONS

25.1 No Lien

The Chargee shall not have any lien over the Property by virtue of this legal charge or the First Deferred Payment or the Second Deferred Payment.

25.2 Continuing security

The security constituted by this legal charge 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 First Deferred Payment and the Second Deferred Payment have been paid in full.

26 NOTICES

26.1 Delivery

Any notice or other communication given to a party under or in connection with this legal charge shall be:

26.1.1 in writing;

26.1.2 delivered by hand, by pre-paid first-class post or other next working day delivery service; and

26.1.3 sent to:

26.1.3.1 the Chargor at the address stated at the beginning of this deed;

26.1.3.2 the Chargee at the address stated at the beginning of this deed and also by copy to:

Clarke Willmott LLP Blackbrook Gate Blackbrook Park Avenue
Taunton Somerset TA1 2PG

Attention: Landowner / Development Team,

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

26.2 Receipt of Notices

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

26.2.1 if delivered by hand, on the Second Business Day after it is left at the relevant address; and

26.2.2 if posted by pre-paid first-class post or other next working day delivery service, on the fourth Business Day after posting.

A notice or other communication given as described in clause 26.2.1 or clause 26.2.2 on a day that 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.

26.3 No notice by fax or email

A notice or other communication given under or in connection with this legal charge is not valid if sent by fax or email.

27 GOVERNING LAW AND JURISDICTION

27.1 Governing law

This legal charge 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.

27.2 Jurisdiction

Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim arising out of or in connection with this legal charge or its subject matter or formation (including non-contractual disputes or claims).

28 DETERMINATION OF DISPUTES

28.1 Appointment of Expert

If any dispute or difference shall arise between the parties with regard to any of the provisions of this legal charge then either party may give notice to the other that it requires such dispute or difference to be referred to and to be determined by an independent expert in accordance with the provisions of clause 28.2 who (if not appointed jointly by agreement between the Chargee and the Chargor within 10 Business Days of either the Chargee of the Chargor requesting an appointment) shall be appointed upon the application of either the Chargor or the Chargee at any time in regard to any matter or thing of a valuation nature arising out of or connected with the subject matter of this legal charge.

28.2 Determination by Expert

The independent expert appointed in accordance with clause 28.1 shall:

28.2.1 in respect of any valuation dispute, be a valuer appointed by the President for the time being of the Royal Institute of Chartered Surveyors or his duly appointed Deputy;

28.2.2 in respect of any other dispute arising under this legal charge, be an expert of not less than 15 years recent experience in his profession dealing with matters similar to the subject matter of the dispute;

28.2.3 act as an expert;

28.2.4 consider any written representations made by or on behalf of either the Chargor or the Chargee (each party being entitled to receive a copy of the other's representations and within 5 Business Days to submit counter representations) but otherwise shall have an unfettered discretion;

28.2.5 insofar as reasonably practicable determine the matter within 10 Business Days of his appointment and serve written notice of his reasoned determination on the Chargor and the Chargee; and

28.2.6 be paid his proper fees and expenses in connection with such determination by the Chargor and Chargee in equal shares or such shares as he shall determine PROVIDED THAT either party may pay the costs of the other

party and may recover from that other party such costs and the reasonable and proper costs of making payment of such costs.

28.3 And any determination of such independent expert shall be final and binding on the Chargor and the Chargee save in case of manifest error or omission.

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

Plan



Drawings are not to be used without the drawing
Ref: Date: Description: Author:
2005/24: Part 1

Charge Land Area 1
Charge Land Area 2

0m 1:2500 scale 100m



Cokerhurst Farm
Wimbeldon

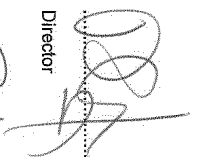
Charge Land Plan

Scale: 1:2500 (A3)
Drawing No: P910
The Rural and Urban Planning
Centre Ltd (RUC)
01972 438001 - info@ruc.com

grainge architects

Executed as a deed by **MARTIN GRANT**
HOMES LIMITED acting by a Director in
the presence of:

Director



Signature of witness

JOHN MALDANY

Name (in BLOCK CAPITALS

GRANT HOUSE, FIDDA ROAD

ABINGER HAMMER

DORLING BAS ROAD

Address

Signed as a deed by **DERRICK**
CHAPPELL in the presence of:

.....

Signature of witness

Name (in BLOCK CAPITALS

Address

Signed as a deed by **DIANA MARY
CHAPPELL** in the presence of:

.....

Signature of witness

Name (in BLOCK CAPITALS)

Address