

DATED

2021

INCEPTION (READING) S.A.R.L (c/o Moorgarth Group Ltd) (1)

("the Owner")

and

READING BOROUGH COUNCIL (2)

("the Council")

and

HSBC UK BANK PLC (3)

("the Mortgagee")

AGREEMENT

constituting a planning obligation relating to land at Broad Street Mall, Reading

(Planning Application No.182137)

Michael Graham LLB, MBA
Assistant Director of Legal and
Democratic Services
Reading Borough Council
IKEN: AS/01327/182137

THIS AGREEMENT is made the

2021

BETWEEN:

- (1) INCEPTION (READING) S.A.R.L.** (incorporated in Luxembourg) care of Moorgarth Group Ltd Central House, 47 St Pauls Street, Leeds LS1 2TE (the "Owner")

and
- (2) READING BOROUGH COUNCIL** of Civic Offices Bridge Street Reading RG1 2LU ("the Council")

and
- (3) HSBC UK BANK PLC** (Co. Regn. No. 9928412) of 8 Canada Square London E14 5HQ ("the Mortgagee")

RECITALS

A. Planning Obligation

This Agreement constitutes a planning obligation within the meaning of the term in Section 106 of the 1990 Act

B. Application Land

The Council is the Local Planning Authority for the purposes of the 1990 Act and the Local Highway Authority for the purposes of the 1980 Act for the Borough of Reading in which the Application Land is situated

C. Land Ownership

The Owner is the freehold owner of the Obligation Land which is registered at the Land Registry with Title Absolute under Title Number BK383592

D. Planning Application

The Owner submitted the Application (Ref: 182137) to the Council for Planning Permission to carry out the Development which was validated on 14th February 2019 and subsequently varied and is fully defined herein

E. Planning Permission

The Council having regard to the Reading Borough Development Plan and to all other material considerations resolved at its Planning Applications Committee meeting held on 4th March 2020 that Planning Permission should be granted for the Development pursuant to the Application subject to the prior completion of this Agreement

IT IS HEREBY AGREED AND DECLARED between the parties hereto as follows:-

1. DEFINITIONS

The following expressions shall have the under mentioned meanings:

1.1. "the 1980 Act"

means the Highways Act 1980;

1.2. "the 1990 Act"

means the Town and Country Planning Act 1990 (as amended);

1.3. "this Agreement"

means this planning obligation by agreement and any modification thereof approved by the Council pursuant to the powers in Section 106 and Section 106A of the 1990 Act;

1.4. "Application"

means the application seeking Planning Permission to carry out the Development submitted on behalf of the Owner to the Council and registered by the Council under reference number 182137 (and subsequently varied) for the construction of three residential buildings (Use Class C3) ranging in height from 5 to 20 storeys above Broad Street Mall (Site E to provide 42 units, Site B to provide 134 Units and Site A to provide 148 units) and provision of a podium level amenity area, construction of a 16 storey building on South Court comprising ground and first floor retail (Use Class A1/A2/A3) and residential over upper floors (Use Class C3, Site C to provide 98 units), Creation of ground floor retail units (Use Class A1/A3/A4) fronting Dusseldorf Way and ground floor retail (Use Class A1/A2/A3) fronting Queens Walk, all necessary enabling and alteration works required within the existing Broad Street Mall basement, ground and upper floors together with associated car park alterations, provision of servicing and refuse storage, cycle parking, public realm, landscape, and other associated works;

1.5. "Application Land"

means the land and buildings which is the subject of the Application known as Broad Street Mall, Reading as shown for identification purposes only on the Plan at Annexure 1 and thereon edged red within which the Obligation Land is situated;

1.6. "Approval"

means the written approval on behalf of the Council from the Head of Planning Development and Regulatory Services to the Owner or such other officer of the Council who is from time to time is responsible for dealing with and/or approving matters set out in this Agreement and "Approved" and "Approve" shall be construed accordingly;

1.7. "Approved ESP"

means as the case may be a Construction ESP approved by the Council pursuant to Paragraph 4 of the First Schedule;

1.8. "Building"

means a building constructed or to be constructed on the Application Land pursuant to the Planning Permission and any reserved matters approval and "Buildings" shall be construed accordingly;

1.9. "Car Park Management Plan"

means a management plan to be agreed between the Owner and the Council for the operation of the car park forming part of the Application Land shown hatched red on the plan attached to this Agreement at Annexure 1 ("the Car Park Plan") during the construction of the Development including the provision of 22 spaces for the use of residents of the Development;

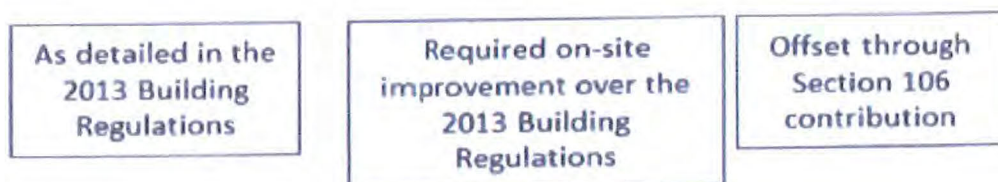
1.10. "Carbon Assessment"

means an assessment of the carbon emissions created by the Development on an 'as built' basis to show whether the Development has achieved a minimum 35% reduction in carbon emissions beyond the baseline set in the 2013 update to the Part L Document published by HM Government pursuant to the Building Regulations 2010;

1.11. "Carbon Off-Set Contribution"

means the payment of £1,800 per tonne of carbon dioxide caused by the Development (as shown in the Carbon Assessment) in excess of the baseline set for carbon emissions in the 2013 update to the Part L document published by HM Government pursuant to the Building Regulations 2010. The following calculation shall be used to determine the carbon off-setting contribution:

$$(\text{Target Emissions Rate}) - (35\% \text{ CO}_2/\text{m}^2/\text{yr.}) = (65\% \text{ CO}_2/\text{m}^2/\text{yr.})$$



1.12. "Construction ESP"

has the meaning given to it in the First Schedule;

1.13. "Contributions"

means such contributions due from the Owner to the Council under this Agreement and reference to **"Contribution"** shall be construed accordingly;

1.14. "the Default Construction ESP Contribution"

means the sum of SEVENTY NINE THOUSAND SEVEN HUNDRED AND EIGHTY POUNDS (£79,780) (as increased by the Indexation provision in Clause 8) to be paid to the Council and applied by its Partner Organisation towards the Employment and Skills Measures and Provisions as they relate to the construction of the Development in accordance with the provisions of the First Schedule;

1.15. "Development"

means the development of the Application Land for the construction of three residential buildings (Use Class C3) ranging in height from 5 to 20 storeys above Broad Street Mall (Site E to provide 42 units, Site B to provide up to 134 Units and Site A to provide up to 148 units) and provision of a podium level amenity area. Site C - construction of 16 storeys above Broad Street Mall (total of 18 storeys from ground level on South Court) comprising ground and first floor retail (Use Class A1/A2/A3) and residential over upper floors (Use Class C3) to provide up to 98 units. Creation of ground floor retail units (Use Class A1/A3/A4) fronting Dusseldorf Way and ground floor retail (Use Class A1/A2/A3) fronting Queens Walk. All necessary enabling and alteration works required within the existing Broad Street Mall basement, ground and upper floors. Associated car park alterations, provision of servicing and refuse storage, cycle parking, public realm, landscape, and other associated works.

1.16. "Dwelling"

means any residential unit that may be built on the Application Land in accordance with the Planning Permission and reference to **"Dwellings"** shall be construed accordingly;

1.17. "Effective Date"

means the date of this Agreement;

1.18. "the Employment Skills and Training SPD"

means the adopted Employment Skills and Training Supplementary Planning Document dated 15th April 2013 and annexed at Annexure 3;

1.19. "the Employment and Skills Plan"

means the plan using the measures and provisions as set out in the First Schedule and “ESP” shall be construed accordingly;

1.20. “ESP Obligations”

means (as the case may be) a Construction ESP for the Development which is to be submitted to the Council by the Owner for approval which incorporates measures and/or provisions to meet the requirements set out in the First Schedule;

1.21. “the ESP Monitoring Fee”

means (a) the sum of TWENTY FIVE POUNDS (£25.00) for each Training Output agreed in the Construction ESP to be paid to the Council towards the monitoring and co-ordinating of the Approved Construction ESP;

1.22. “Highways Agreement”

means an agreement or agreements made pursuant to section 38 and/or section 278 of the 1980 Act or other relevant statutory provisions required in order to carry out the Highway Works;

1.23. “Highway Work”

means any of the Public Realm Improvement Works which are to be carried out on the highway as shown hatched pink, red, green and blue on the Public Realm Plan to include a vehicular access of 4 metres to the western side of Broad Street Mall where the northern end of Queens Walk meets Oxford Road;

1.24. “Implementation”

means the carrying out of a “material operation” as defined in Section 56(4) of the 1990 Act save that this definition shall not include any works of demolition site clearance ground investigation site survey works construction of boundary fencing hoardings or compounds decontamination soil investigation and archaeological testing and the laying and diversion of services and service media and “Implement” and “Implemented” shall be construed accordingly;

1.25. “Implementation Notice”

means the notice to be served by the Owner upon the Council stating the proposed date of Implementation of the Development;

1.26. “Index”

means the Retail Price Index issued by the Office for National Statistics;

1.27. “Leisure Contribution”

means the sum of SIX HUNDRED AND THIRTY THREE THOUSAND POUNDS (£633,000) which shall be used towards the provision of and/or improvements to open space in the town centre within the locality of the Development;

1.28. "Local Labour"

means local workers living within the greater Reading area;

1.29. "Monitoring Fee"

means the sum of ONE THOUSAND POUNDS (£1,000.00) to be paid to the Council for the purpose of monitoring the Obligations set out in this Agreement;

1.30. "Monitoring Officer"

means the Council's Infrastructure and Monitoring Officer (within the Council's Directorate of Economic Growth and Neighbourhood Services) as designated by the Council to monitor the Obligations set out in this Agreement;

1.31. "Obligations"

means the covenants on behalf of the Owner set out at Clause 6 to this Agreement;

1.32. "Obligation Land"

means the part of the Application Land and buildings known as Broad Street Mall, Reading as shown for identification purposes only tinted blue on the Plan at Annexure 1 which is registered at the Land Registry under Title Number BK383592;

1.33. "Occupation"

means beneficial occupation of any part of the Development PROVIDED THAT (and it is agreed between the parties hereto that) for the avoidance of doubt occupation for the purposes of construction completion fitting out and marketing shall not constitute "Occupation" and "Occupy" and "Occupied" shall be construed accordingly;

1.34. "Occupation Notice"

means the notice to be served by the Owner upon the Council that the Development has been brought into use and is being Occupied;

1.35. "Partner Organisation"

means the economic development company Reading UK CIC (Co. Registration No. 5671172) mandated by the Council and the Reading 2020 Local Strategic Partnership to lead on economic development (Memorandum of Understanding dated 15th February 2008) whose registered office is at **Clarks Legal LLP, 5th Floor, Thames Tower Station Road, Reading RG1 1LX** or any successor or similar organisation or organisations having similar objectives to Reading UK CIC and nominated by the Council in writing to the Owner from time to time as the partner organisation for the purposes of an Approved ESP;

1.36. "Phase"

means an identified phase of the Development as identified and labelled "Site A-C and E" on the Plan;

1.37. "the Plan"

means the plan marked "the Plan" at Annexure 1 illustrating the Application Land edged red and the Obligation Land tinted blue;

1.38. "Planning Permission"

means a planning permission to be granted by the Council pursuant to the Application substantially in the form of the draft at Annexure 2 and including any other planning permissions granted under Section 73 of the 1990 Act varying the Development;

1.39. "Prescribed Period"

means the period commencing on the date of receipt by the Council of the relevant payment pursuant to and in accordance with this Agreement and expiring at the end of ten (10) full financial years (ending 31 March) following the financial year in which the payment is received by the Council;

1.40. "Public Realm Improvement Contribution"

means the financial sum of ONE MILLION AND NINETY TWO THOUSAND POUNDS (£1,092,000.00) (Indexed) to be paid by the Owner to the Council for the implementation of Public Realm Improvement Works;

1.41. "the Public Realm Improvement Land"

means the land hatched red on the Public Realm Plan which is the land hatched pink, red, green and blue on the Public Realm Plan which includes the areas on Dusseldorf Way, Queens Walk, Oxford Road and St Marys Butts to enhance the setting of the St Marys Butts and Castle Street Conservation Areas;

1.42. "the Public Realm Improvement Works"

means the improvements to the Public Realm Improvement Land to be carried out in accordance with the Third Schedule;

1.43. "the Public Realm Plan"

means the plan attached hereto titled "Public Realm Plan" at Annexure 1;

1.44. "Statutory Undertaker"

means any company corporation board or authority at the date of this Agreement authorised by statute to carry on an undertaking for the supply of telephone and television communications electricity gas water or drainage and any authorised successor to any such undertaking;

1.45. "Training Output"

means in respect of the Construction ESP the relevant outputs for the Construction ESP listed in Appendix 1 to the Employment Skills and Training SPD as set out in Annexure 3;

1.46. "Travel Plan"

means a residential travel plan to be agreed between the Owner and the Council pursuant to the Fourth Schedule;

1.47. "Travel Plan Co-Ordinator"

means the person appointed by the Owner to be responsible for securing implementation of the Travel Plan; and

1.48. "Working Days"

means days (other than Saturdays Sundays or public holidays in England) when banks in London are open for business.

2. INTERPRETATION

- 2.1 Clause headings shall not affect the interpretation of this Agreement.
- 2.2 A person includes a natural person corporate or unincorporated body (whether or not having separate legal personality).
- 2.3 A reference to a company shall include any company corporation or other body corporate wherever and however incorporated or established.
- 2.4 Unless the context otherwise requires words in the singular shall include the plural and in the plural shall include the singular.
- 2.5 Unless the context otherwise requires a reference to one gender shall include a reference to the other genders.
- 2.6 A reference to any party shall include that party's personal representatives successors or permitted assigns and in the case of the Council the successors to its respective statutory functions.
- 2.7 An Obligation in this Agreement on a person not to do something includes an Obligation not to agree or allow that thing to be done.
- 2.8 Where an Obligation falls to be performed by more than one person the Obligation can be enforced against every person so bound jointly and against each of them individually.

- 2.9 Any phrase introduced by the terms “including” “include” “in particular” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 2.10 Any reference to Act of Parliament whether general or specific shall include any modification or re-enactment thereof for the time being in force and shall also include all instruments orders plans regulations by-laws and directions for the time being made issued or given thereunder or deriving validity therefrom.
- 2.11 A reference to writing or written does not include faxes or e-mail.
- 2.12 A reference to “this Agreement” or to any other agreement or document referred to in this Agreement is a reference to this Agreement or such other document or deed as varied or novated (in each case other than in breach of the provisions of this Agreement) from time to time.
- 2.13 References to clauses plans schedules paragraphs and annexures are to the clauses plans schedules paragraphs and annexures of this Agreement.

3. LEGAL EFFECT

- 3.1 This Agreement is made pursuant to Section 106 of the 1990 Act and Section 111 of the Local Government Act 1972 and all other enabling powers to the intent that it shall bind the Owner and its successors in title to each and every part of the Obligation Land and their assigns.
- 3.2 This Agreement shall be enforceable by the Council as Local Planning Authority.
- 3.3 If the Planning Permission expires within the meaning of Sections 91 92 93 of the 1990 Act or is revoked or otherwise withdrawn or modified by any statutory procedure without the consent of the Owner this Agreement shall cease to have effect (but not so as to avoid any Obligation in this Agreement on the part of the Owner having already been implemented or performed).
- 3.4 Nothing in this Agreement shall be construed as prohibiting or limiting any right to develop any part of the Application Land in accordance with a planning permission (other than the Planning Permission) granted by the Council or by the Secretary of State on appeal or by reference to him after the date of this Agreement.
- 3.5 If any provision of this Agreement shall be held to be invalid illegal or unenforceable the validity legality and enforceability of the remaining provisions hereof shall not in any way be deemed thereby to be affected or impaired.
- 3.6 The Owner shall in parting with the Obligation Land or part of the Obligation Land be released from all liability under the terms of this Agreement (insofar as it is binding on that part of the Obligation Land to which the breach relates) unless they

hold an interest in the Obligation Land or part of the Obligation Land in respect of which such breach occurs or held such an interest at the date of the breach.

- 3.7 This Agreement is without prejudice to and shall not be construed as derogating from any of the rights powers and duties of the Council pursuant to any of its statutory functions nor in any other capacity.
- 3.8 Nothing in this Agreement shall require the performance by the Owner of any obligations whatsoever in or upon over or under land outside the Application Land or public highway (subject to the Council being prepared to enter into an agreement made pursuant to section 278 of the 1980 Act) if that land is outside the ownership or control of the Owner.
- 3.9 No person shall be liable for any breach of any of the planning obligations or other provisions of this Agreement after it shall have parted with its entire interest in the Obligation Land or that part of the Obligation Land on which the breach occurs but without prejudice to liability for any subsisting breach arising prior to parting with such interest. No person shall be liable for any breach of any of the planning obligations or other provisions of this Agreement in respect of land in which they do not have an interest.
- 3.10 No person shall be liable for any breach of covenant restriction or obligation contained in this Agreement in relation to a Phase in which it does not have a freehold or leasehold interest to the extent that the obligation is solely material to that Phase.
- 3.11 No person shall be liable for any breach of any of the planning obligations or other provisions of this Agreement:
- 3.11.1 if it is an owner occupier or tenant of an individual Dwelling;
- 3.11.2 if it is a Statutory Undertaker which has an interest in any part of the Application Land for the purposes of its undertaking.

4. **CONDITIONALITY**

This Agreement is conditional upon:

- a) The grant of the Planning Permission; and
- b) The Implementation of the Development.

5. **COVENANTS BY THE OWNERS: DECLARATION**

The covenants by the Owner in Clause 6 of this Agreement are entered into with the intent that these covenants shall be enforceable without any limits of time against the Owner and any person deriving title from the Owner to all or any part of the Obligation Land and any person deriving title under them in respect of a lesser interest in the whole or any part of the Obligation Land as if that person had also

been an original covenanting party in respect of the interest for the time being held by them.

6. THE OWNER'S OBLIGATIONS

- 6.1 The Owner COVENANTS AND AGREES with the Council:
- 6.2 not to Implement the Development before the Owner has served the Implementation Notice;
- 6.3 to serve an Occupation Notice five (5) Working Days after a Building (or any part thereof) which forms part of the Development has been first Occupied;
- 6.4 to observe and perform the obligations on their part as set out in the First Schedule ("ESP") and Third Schedule ("the Public Realm Improvement Works") and Fourth Schedule ("the Travel Plan") and Fifth Schedule ("Residential Accommodation");
- 6.5 The Owner covenants to submit a Car Park Management Plan to the Council for the Council's written approval (which shall not be unreasonably withheld or delayed) before the Implementation of the Development and the Owner further covenants that it shall comply with the terms of the approved Car Park Management Plan during the construction of the Development;
- 6.6 The Owner covenants to submit the Carbon Assessment to the Council six (6) months following the first Occupation of the Development;
- 6.7 To pay:
- (a) the Public Realm Improvement Contribution in accordance with the Third Schedule (as increased by the Indexation provision in Clause 8);
 - (b) the Carbon Off-Set Contribution (if required in accordance with clause 6.6) within one (1) month following the Council's receipt of the Carbon Assessment (as increased by the Indexation provision in Clause 8);
 - (c) the Leisure Contribution prior to the first Occupation of a Dwelling forming part of the Development (as increased by the Indexation provision in Clause 8);
 - (d) the ESP Monitoring Fee Contribution prior to the Implementation of the Development (as increased by the Indexation provision in Clause 8);
- 6.8 The Owner further covenants with the Council to pay on the Effective Date the Council's reasonable legal costs and expenses incurred in the preparation and completion of this Agreement in the sum of FOUR THOUSAND POUNDS (£4,000.00) and the Monitoring Fee.

7. **COUNCIL'S OBLIGATIONS**

7.1 The Council covenants with the Owner to grant the Planning Permission within ten (10) Working Days of the Effective Date substantially in the form as set out in Annexure 2.

7.2 The Council covenants with the Owner to observe and perform the obligations on its part contained in the First Schedule (ESP Obligations) and the Second Schedule (Council's Obligations).

8. **INDEXATION**

The amount of all financial contributions to be paid by the Owner to the Council under the provisions of this Agreement shall be increased by an amount equivalent to the increase in the Index from the Effective Date until the date on which the said Contribution is due.

9. **INTEREST ON UNPAID MONIES**

If any Contribution due under this agreement is paid late the Owner shall pay the Council interest at the rate of 4% per annum above the base rate of the Bank of England for the time being in force on the sum of the said Contribution due or (as the case may be) on any amount thereof which may be outstanding from the date on which under the terms of this Agreement the Contributions are due up to the date of payment of the said Contributions.

10. **PAYMENTS TO THE COUNCIL**

Any Contributions due to the Council under the terms of this Agreement (SAVING AND EXCEPTING for the sums payable to the Council under clause 6.8) shall be paid to the Council by means of BACs transfer to the Council as follows:

Reading Borough Council

Sort Code: 30-91-31

Account Number: 00271502

Lloyds Bank plc 24 Broad Street Reading RG1 2BT

quoting ref: 182137 or other reference quoted in the relevant S106 Demand notice issued in respect of the obligation.

11. **RIGHT OF ACCESS**

Without prejudice to the Council's statutory rights of entry the Owner shall permit the Council and its authorised employees and agents upon reasonable written notice to enter the Obligation Land at all reasonable times for the purpose of verifying whether or not any obligation arising hereunder has been performed or observed.

12. **NOTICES**

Any notice or other written communication to be served by one party upon another pursuant to the terms of this Agreement shall be deemed to have been validly served if delivered by hand or sent by pre-paid registered or recorded delivery post to the party to be served at its address herein specified or such other address as may from time to time be notified for the purpose by notice in writing and any such notice or other written communication to be given by the Council shall be deemed valid and effectual if on its face it is signed on behalf of the Council by a duly authorised signatory.

13. **ADDRESSES FOR SERVICE**

The address for any notice or other written communication is for the Council at Civic Offices Bridge Street Reading RG1 2LU and for the Owner as specified in the Agreement or as notified in accordance with Clause 12 above.

14. **ARBITRATION**

14.1 In the event of any dispute arising between the parties in respect of this Agreement the dispute shall be referred:-

- (a) in the case of a dispute regarding the interpretation or meaning of any provision in this Agreement to leading planning counsel to be agreed between the parties or failing agreement to be appointed by the President for the time being of the Law Society; or
- (b) in the case of a dispute regarding the works or other technical matters referred to in the schedules to a member of the Institution of Civil Engineers to be agreed between the parties or failing agreement to be appointed by the President for the time being of such institution; or
- (c) in the case of any other dispute regarding this Agreement to a member of the Royal Institution of Chartered Surveyors to be agreed between the parties or failing agreement to be appointed by the President for the time being of such Institution.

14.2 Any referral pursuant to Clause 14.1 may be made on the joint application of the parties or on the application of any party and any such referral shall be construed as a submission to arbitration within the meaning of the Arbitration Act 1996.

14.3 The decision of any expert appointed pursuant to Clause 14.1 (the "Expert") shall be final and binding on the parties and whose costs shall be in his award.

14.4 The Expert shall be appointed subject to an express requirement that he reaches his decision and communicates it to the parties to the dispute within the minimum practical timescales allowing for the nature and complexity of the dispute and in any event not more than twenty (20) Working Days from the date of his appointment to act.

15. **THIRD PARTY RIGHTS**

It is not otherwise intended that any of the provisions of this Agreement shall be enforceable under the Contracts (Rights of Third Parties) Act 1999 by anyone other than the parties to this Agreement.

16. **NO WAIVER**

No waiver (whether express or implied) by the Council of any breach of or default by the Owner in performing or observing any of the terms of or covenants obligations or restrictions in this Agreement shall constitute a continuing waiver and no such waiver shall prevent the Council from enforcing any of the said terms covenants Obligations or restrictions or from acting upon any subsequent breach or default in respect thereof by the Owner.

17. **LOCAL LAND CHARGE**

This Agreement is and shall be registered as a Local Land Charge by the Council and following performance and satisfaction of all the Obligations contained in this Agreement or in the event that the Planning Permission expires without first being Implemented the Council shall forthwith effect the cancellation of all entries in the Local Land Charges Register at no cost to the parties.

18. **REVOCATION**

In the event that the Planning Permission expires or is quashed before Implementation or is without the consent of the Owners revoked by any statutory enactment then in that event the provisions of this Agreement shall lapse and determine and in that event the Council will thereafter effect the cancellation of all entries made in the Register of Local Land Charges in respect of this Agreement.

19. **AGREEMENT AND DECLARATION**

It is agreed by the Owner and the Council that should the Development the subject of the Planning Permission be varied under a new planning permission granted by the Council under Section 73 of the 1990 Act (the VARIATION Planning Permission) the Obligations in the Agreement shall apply to the said VARIATION Planning Permission.

20. **JURISDICTION**

This Agreement is governed by and interpreted in accordance with the law of England.

21. **MORTGAGEE'S CLAUSE**

The Mortgagee acknowledges and declares that this Agreement has been entered into by the Owner with its consent and that the Obligation Land shall be bound by the obligations contained in this Agreement and that the security of the mortgage over the Obligation Land shall take effect subject to this Agreement PROVIDED THAT the Mortgagee shall otherwise have no liability under this Agreement unless it takes

possession of the Obligation Land in which case it too will be bound by the obligations as if it were a person deriving title from the Owner.

EXECUTED as a deed by the parties hereto and delivered on the date written at the start of this deed

THE FIRST SCHEDULE

The Employment and Skills Plan

In this Schedule -

"Apprenticeship Scheme"

means a nationally recognised scheme established and delivered by an accredited provider;

Measures and Provisions

The requirements of the ESP are that it -

- identifies and promotes in collaboration with the Partner Organisation or any other organisation as the Council may nominate employment opportunities generated in relation to both the construction of the Development (the "Construction ESP") targets Local Labour (although not to the exclusion of people from outside the Borough of Reading) in relation to both the construction of the Development and the subsequent Occupation of the Development by an end users;
- Adopt an Apprenticeship Scheme to enable young people between the ages of 16 and 24 to apply for designated full time and part time positions with the Owner and/or end users during the Occupation of the Development;
- establishes a forum of or other mechanisms for occupiers of the commercial buildings comprised in the Development to pool information on recruitment needs job vacancies and training issues and to encourage end users occupying the Development to participate in local training and recruitment of residents living within the Reading area;
- the means of and timetable for implementing and/or seeking to achieve the identified objectives of an Approved ESP; and
- the reporting mechanisms (with reports to be not less than six (6) monthly) on progress in implementing and/or achieving the objectives of the Approved ESP.

ESP Monitoring Fees

1. The Owner shall pay to the Council the relevant ESP Monitoring Fees for the Approved Construction ESP as calculated by the Owner in accordance with the Employment Skills and Training SPD and notified to the Council for Approval (and if necessary re-submitted) and Approved by the Council within twenty (20) Working Days of such approval.
2. The Owner shall not Occupy or permit Occupation of any part of the Development until the ESP Monitoring Fees have been paid to the Council in full together with any interest due thereon.

3. In carrying out their obligations under this First Schedule the Owner shall co-operate with the Council and its Partner Organisation as far as is reasonably practicable in the preparation and submission of the Construction ESP.

Construction ESP

4. At least one (1) month prior to Implementation of the Development the Owner shall submit the Construction ESP to the Council for Approval
5. The Owner shall not Implement the Development until the Construction ESP submitted to the Council pursuant to paragraph 4 of this First Schedule has been Approved (PROVIDED ALWAYS if the Construction ESP has not been Approved by the Council or the Council has not provided comments on the Construction ESP within twenty (20) Working Days from its submission the Construction ESP shall be deemed as being Approved)
6. Subject to paragraphs 4 and 5 of this First Schedule the Owner shall implement observe and comply with the Approved Construction ESP to the reasonable satisfaction of the Council
7. If the Owner wishes to pay the Default Construction ESP Contribution in lieu of their obligation to prepare the Construction ESP, it shall notify the Council one (1) month prior to Implementation of the Development and shall pay the Default Construction ESP Contribution to the Council prior to commencement of the Development and upon payment the Owner's obligations under this Schedule shall cease and determine.

THE SECOND SCHEDULE

(“the Council’s Obligations”)

1. As soon as reasonably practicable, but in any event within ten (10) Working Days of the Effective Date the Council shall issue the Planning Permission.
2. The Council covenants with and undertakes to the Owner that the sums paid under this Agreement will be utilised for the purposes specified in the Agreement.
3. In this Agreement where the agreement approval consent or any other expression of satisfaction is required from the Council that agreement approval consent or any other expression of satisfaction shall be given in writing and shall not be unreasonably withheld or delayed.
4. The Council covenants with and undertakes to the Owner any sums paid under this Agreement which have not been utilised for the purposes specified in the Agreement in whole or in part within the Prescribed Period shall be repaid to the Owner together with the interest accrued on those sums while held by the Council.

THIRD SCHEDULE

(“the Public Realm Improvement Works”)

The Public Realm Improvement Works objectives (“the Objectives”)

1. In order to improve the public realm and the setting of the setting of the St Mary's Butts and Castle Street Conservation Area, the Public Realm Improvement Works will enhance the Public Realm Improvement Land as an active multi use space with high quality landscape treatment that allows shared surface streets that relate to the surrounding development in terms of active frontages and entrances and include appropriate lighting improvements.
2. Designs that utilise existing trees as far as practicable are encouraged but new street trees should be planted into the ground wherever possible, but where unachievable planters or raised beds should be used. The design of the public realm or communal amenity spaces should create opportunities for people to meet and engage to counteract social isolation and loneliness.

The Owner and the Council covenants as follows:-

1. Prior to the Implementation of Development, the Owner shall pay the Public Realm Improvement Contribution to the Council and the Owner shall not Implement the Development until the Public Realm Improvement Contribution have been paid to the Council.

FOURTH SCHEDULE

("the Travel Plan")

1. The Owner shall no later than the first Occupation of the first Dwelling submit a Travel Plan to the Council for its written approval (which shall not be unreasonably withheld or delayed).
2. Within three (3) months of the Travel Plan being submitted by the Owner:
 - a. The Council shall confirm whether it accepts the Travel Plan submitted by the Owner; or
 - b. The Council shall provide to the Owner details of amendments it reasonably considers are necessary to the submitted Travel Plan.
3. If amendments are requested to the Travel Plan by the Council pursuant to paragraph 2(b) of this Fourth Schedule:
 - a. The Owner shall amend the Travel Plan requested by the Council and resubmit it;
 - b. The Council shall confirm to the Owner within four (4) weeks of the amended Travel Plan being submitted whether it is approved as amended;
 - c. If the Council notifies the Owner that it objects to the amended Travel Plan, the Council and the Owner shall either agree to repeat the process set out in paragraphs 2(b) and 3 of this Fourth Schedule or refer the dispute for resolution in accordance with Clause 14.
4. The Owner shall appoint and retain a Travel Plan Co-Ordinator and inform the Council of the name, address, email address and telephone number of the person appointed within one (1) month of the Travel Plan for the first Phase of the Development being approved by the Council.
5. The Owner shall ensure that the Travel Plan is implemented while the Development is Occupied but for the avoidance of doubt no successor in title to the Owner in respect of any part of the Development which is not residential shall not be responsible to implementing the Travel Plan.
6. The Owner will carry out a review of the Travel Plan after one (1), three (3) and five (5) years of implementation and submit the findings of each review to the Council within two weeks of publishing the same.

FIFTH SCHEDULE

("Residential Accommodation")

Definitions

In this Schedule:

"Actual Build Costs" means the Build Costs incurred at the Review Date which for the avoidance of doubt shall exclude any contingency allowance;

"Actual GDV" means the sum of:

(a) the total of all receipts of any Component that has been Disposed of prior to the Review Date in respect of which the supporting evidence to be submitted as part of the Development Viability Information shall include documentary evidence of all gross receipts and

(b) rental values achieved for completed Components;

excluding the consideration paid and deductions for buyers' incentives for furniture packs, curtains, white goods, buyers' legal fees, buyers' agents' fees, buyers' surveys, buyers' removals and buyers' SDLT refunds, and based on a yield for the Build to Rent part of the Development of 4% (as set out in the Application Stage Viability Appraisal);

"Additional Affordable Housing Scheme" means a scheme to be prepared by the Owner and submitted to the Council in accordance with this Fifth Schedule detailing the Additional Affordable Housing Units and which shall:

(a) confirm which Market Housing Units are to be converted in to Additional Affordable Housing Units; and

(b) include plans showing the location, size, and internal layout of each Additional Affordable Housing Unit;

"Additional Affordable Housing Units" means the Market Housing Units to be converted to Affordable Housing, in accordance with the provisions of this Fifth Schedule and subject to the a maximum provision of 30% of Dwellings on the Application Land as Affordable Housing Units;

"Affordable Housing"

means affordable rented housing affordable rented housing and intermediate housing as defined in Annex 2 of the National Planning Policy Framework or any subsequent definition in any revision amendment or re-enactment thereof published by the UK Government and for the avoidance of doubt includes the Affordable Housing Units

"Affordable Housing Units" means the Dwellings to be provided as Affordable Housing pursuant to this Fifth Schedule and **"Affordable Housing Unit"** shall be construed accordingly;

"Affordable Rent" means a rent which is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80 per cent of the local market rent including service charges where applicable and has the meaning given to it in Annex 2 of the National Planning Policy Framework and reference in that definition to "local market rent" shall be determined in accordance with the guidelines produced by the Royal Institute of Chartered Surveyors and Homes England in force at the relevant time or the Shadow 30th Percentile Local Housing Allowance (LHA) published from time to time by the Valuation Office including service charges; whichever is the lowest ("local market rent") PROVIDED THAT where the LHA no longer exists at the time the local market rent is being calculated the Affordable Rent shall be the last published Shadow 30th Percentile as increased by an amount equivalent to any increase in the Retail Prices Index (or any replacement thereof) from the date on which the LHA was last published to the date the local market rent for the Affordable Housing is calculated;

"Affordable Housing Market Valuation" means the price offered by the Registered Provider or other party willing to acquire the Affordable Housing Units;

"Affordable Housing Plans" means the plan attached hereto at Annexure 1 titled "Affordable Housing Plan";

"Affordable Private Rented Housing" An affordable housing product specific to build to rent schemes, offered for rent by the private landlord of the build to rent development at an Affordable Rent.

"Application Stage Build Costs" means the sum of £111,288,710 being the estimated cost of (amongst other things) subject to retail Price index or building cost index updated from the date of the cost plan, demolition, site clearance, site preparation, marketing costs, construction and professional fees, finance and CIL external works and assumed contingency allowance in respect of the Development as determined by the Application Stage Viability Appraisal;

"Application Stage GDV" means the sum of £126,942,828 being the estimated gross development value of the Development established by the Application Stage Viability Appraisal and which accounts for the value of all the proposed elements of the Development and deficit respectively to exclude deductions for buyers' incentives for furniture packs, curtains, white goods, buyers' legal fees, buyers' agents' fees, buyers' surveys, buyers' removals and buyers' SDLT refunds;

"Application Stage Viability Appraisal" means the financial viability appraisal dated 16 March 2020 and titled "Broad Street Mall - Reading; Proposed Scheme Appraisal - BtR" (and appended to this agreement) in relation to the Application;

"Build to Rent" means purpose built housing that is typically 100% rented out. It can form part of a wider multi-tenure development comprising either flats or houses, but should be on the same site and/or contiguous with the main development. Schemes will usually offer

longer tenancy agreements of three (3) years or more, and will typically be professionally managed stock in single ownership and management control;

"Build Costs" means all costs associated with the acquisition and construction of the Development including without limitation acquisition costs (fixed at £1,728,000 being the benchmark land value of the Application Land), demolition, site clearance, site preparation, marketing costs, construction and professional fees, finance and CIL supported by evidence of these costs to the Council's reasonable satisfaction but for the avoidance of doubt build costs exclude any costs arising from fraudulent transactions;

"CIL" means any Community Infrastructure Levy imposed in relation to the Development as introduced by sections 205-225 of the Planning Act 2008;

"Commercial Unit" means a unit for business, retail or office use constructed or to be constructed as part of the Development and is not a Dwelling;

"Component" means a part of the Development including but not limited to:

- (a) Market Housing Units;
- (b) Affordable Housing Units;
- (c) Additional Affordable Housing Units (if any);
- (d) Commercial Units
- (e) any other floor space;
- (f) property; and
- (g) land;

"Deficit" means the sum of £10,138,239 being the Benchmark Land Value of the Development (being the existing use value of the Application Land plus a reasonable landowner's premium) minus the Residual Land Value (being the Estimated GDV at the time of the review less the Estimated Build Costs as determined at the time of the review save for the cost of acquiring the Application Land);

"Development Viability Information" means the following information provided on an open book basis by a surveyor or similarly qualified professional:

- (a) Actual GDV;
- (b) Actual Build Costs;
- (c) Estimated GDV; and
- (d) Estimated Build Costs;

"Disposal" means:

means where the context so admits a bona fide arms-length (a) a contract for sale transfer mortgage charge lease or other disposal whether such sale transfer mortgage charge lease or other disposal gives rise to a capital sum or otherwise or whether such contract for sale transfer mortgage charge lease or other disposal is by way of valuable consideration or otherwise, or (b) a sale transfer mortgage charge lease or other disposal whether such sale transfer mortgage charge lease or other disposal gives rise to a capital sum or otherwise or whether such sale transfer mortgage charge lease or other disposal is by way of valuable consideration of otherwise and "transfer" "transferred" "dispose" "disposal" "disposed" and "disposed of" shall be construed accordingly;

"Estimated Build Costs" means the Build Costs remaining to be incurred at the Review Date;

"Estimated GDV" means the estimated Market Value at the Review Date of all remaining Components of the Development that have not been Disposed of based on detailed comparable evidence based on a yield for the Build to Rent part of the Development of 4% (as set out in the Application Stage Viability Appraisal) and to exclude the consideration paid or value of any deductions for buyers' legal fees, buyers' agents' fees, buyers' surveys, buyers' removals and buyers SDLT refunds;

"Final Certificate" means a certificate issued by the Owner's architect or quantity surveyor or contract administrator confirming that a Dwelling is ready for Occupation or in the event that the Development is constructed by a party other than that Owner the issue of a certificate by that other party's architect or quantity surveyor or contract administrator;

"Formula" means the formula identified as "the Formula" within the annex to this Fifth Schedule;

"Local Housing Allowance" means the allowance published by the Valuation Office Agency for the Council's administrative area;

"Market Housing Units" means the Dwellings which are to be let on a Build to Rent basis and which are not Affordable Housing Units;

"Market Value" means the price at which the sale of the relevant property interest would have been completed unconditionally for cash consideration on the Relevant Review Date based on detailed comparable market evidence to be assessed by the Council and assuming:

- (a) a willing seller and a willing buyer or a willing landlord and a willing tenant
- (b) that, prior to the date of valuation, there has been a reasonable period of not less than six months for the proper marketing of the interest (having regard to the nature of the property and the state of the market) for the agreement of the price and terms and for the completion of the sale;
- (c) that no account is taken of any additional bid by a prospective purchaser with a special interest; and
- (d) that both parties to the transaction have acted knowledgeably, prudently and without compulsion;

"Marketing Period" means the marketing period for the Affordable Housing Units which shall be no less than six (6) months in duration;

"National Planning Policy Framework" means the National Planning Policy Framework as published in July 2021 by The Ministry of Housing, Communities and Local Government (or any future guidance or initiative that replaces or supplements it);

"Practically Completed" means in respect of a Dwelling, the issue of a Final Certificate or a completion certificate under the Building Act 1984;

"Qualifying Criteria" for tenants of the Affordable Housing Units means:

1. They can afford the rents proposed (affordability to include money provided through the benefits system).
2. They have an appropriate household size for the available property.
3. Suitable references have been provided by the potential tenant and suitable credit checks have been obtained in respect of the potential tenant by the Owner's representative.
4. They have no rent arrears or history of rent arrears.
5. They have no history of having been convicted of an offence under the Anti-social Behaviour, Crime and Policing Act 2014 within the period of 5 years preceding the date of tenancy.
6. They undertake a satisfactory interview with the Owner's representative in which they demonstrate an understanding of their responsibilities under the terms of their tenancy agreement and all subsequent contractual obligations;

"Registered Provider" means a registered provider of social housing within the meaning of Section 80 of the Housing and Regeneration Act 2008 (or any statutory modification) and registered with the regulator of social housing pursuant to Section 81 of the said Act;

"Review Cap" means the maximum amount which the Owner shall be required to pay to the Council in the Review Contribution being the financial equivalent of the provision of 30% of the Dwellings as Affordable Housing Units being £5,245,006.00;

"Review Contribution" means a financial contribution for the provision of off-site Affordable Housing in the Council's administrative area the precise value of which shall be calculated in accordance with this Schedule and which shall be subject to the Review Cap.

"Review Date" means the date two (2) months from the date on which the first Occupation of the first Market Housing Unit in each Phase occurs (but for the avoidance of doubt if the first Occupation of a Phases occurs within 30 (thirty) days of the first Occupation of another Phase or Phases, the parties may agree to use the same Review Date for these Phases); and

"Target Return" means a developer profit of 15% of GDV in relation to the Development as determined pursuant to the Application Stage Viability Appraisal.

The Owner covenants:

Part 1 - Affordable Housing Provision

1. To provide the Affordable Housing Units comprising ten (10) three-bedroom units, sixteen (16) two-bedroom units and sixteen (16) one-bedroom units (total forty two (42)) as shown on the Affordable Housing Plans (or in such other location as may be agreed by the Council in writing).
2. To provide the Affordable Housing Units as Affordable Private Rented Housing such rents to be inclusive of any service charge which will be charged to tenants of Market Housing Units and at an Affordable Rent.
3. To offer to prospective tenants of the Affordable Housing Units who meet the Qualifying Criteria tenancies of at least three (3) years in length although prospective tenants are not required to take a three (3) year tenancy and may opt for a shorter tenancy.
4. To include in tenancies such terms which enable tenants to determine the tenancy after six (6) months from the commencement of the tenancy giving two (2) months' notice without incurring any fee or other penalty.
5. Not to increase the rent of each Affordable Housing Unit by more than the increase in the Local Housing Allowance or, if the Local Housing Allowance Rate no longer exists, by no more than the Consumer Price Index published by the Office for National Statistics from time to time (or, if the Consumer Price Index ceases to be published, a comparable index to be agreed between the Owner and the Council).
6. Not to Occupy more than 75% of the Market Housing Units in the Development until the Affordable Housing Units have been Practically Completed and are available for Occupation.
7. In the event of a change from the Build to Rent status of the Dwellings comprising the Development, the Affordable Housing Units shall continue to be made available as Affordable Housing on terms including those in this Schedule except as set out below.
8. In the event that the Dwellings comprising the Development cease to be operated as Build to Rent Dwellings:
 - (a) the Owner shall notify the Council within ten (10) Working Days of the date that Dwellings comprising the Development ceased to be operated as Build to Rent Dwellings; and
 - (b) if the Affordable Housing Units are not in the ownership of a Registered Provider and in the event that the Owner of the Affordable Housing Units no longer wishes to retain control of the Affordable Housing Units the Affordable Housing Units shall be offered within one (1) month of the Dwellings comprising the Development ceasing to operate as a Build to Rent scheme on

leases of at least one hundred and twenty five years (125) years to a Registered Provider to be approved by the Council, such offer to be at no more than the Affordable Housing Market Valuation and to be open for acceptance for three months from the date of the offer (the “Offer Period”).

9. If at the end of the Offer Period no Registered Provider has acquired the Affordable Housing Units the Council shall be entitled to acquire the Affordable Housing Units on the same basis but must notify the Owner in writing of its decision within six (6) weeks from the date the entitlement arises and complete the transaction within two (2) months of such notification.
10. In the event that the Affordable Housing Units are not let on long leases of at least one hundred and twenty five years (125) years to a Registered Provider or the Council as envisaged above and within the time limits set out above the Owner shall pay a financial contribution (the “Additional Affordable Housing Payment”) to the Council of an amount which shall enable equivalent provision of Affordable Housing to be made elsewhere in the Borough of Reading such amount to be agreed between the Owner and the Council (or determined by an Expert in accordance with Clause 14) and for the avoidance of doubt in the event of any failure to agree the Additional Affordable Housing Payment within four (4) months of:
 - (a) the date when the Council notifies the Owner that it will not acquire the Affordable Housing Units; or
 - (b) (if there is no such notification) the date when the Council’s entitlement to acquire the Affordable Housing Units expires,the amount of the Additional Affordable Housing Payment shall be determined by an Expert in accordance with Clause 14.
11. The Additional Affordable Housing Payment shall be paid within ten (10) Working Days of agreement between the Council and the Owner or following determination by an Expert.
12. In the event that the Owner pays to the Council the Additional Affordable Housing Payment pursuant to paragraph 10 and 11, parts 1-3 of this Fifth Schedule will cease to have further effect.

Part 2 - Occupation and Tenancy Arrangements

Initial Tenancies

1. Three (3) months before Practical Completion of the Affordable Housing Units, the Owner shall notify the Council (the “Affordable Housing PC Notification”) of the expected dates when the Affordable Housing Units will be available and make either a typical unit, or a show apartment or the marketing suite for viewings.

2. No later than one (1) month after the Affordable Housing PC Notification:
 - (a) the Owner shall provide information as to rents, specifications (fixtures, fittings and finishes), floorplans and management arrangements for the Affordable Housing Units; and
 - (b) the Marketing Period shall commence.
3. For the first four (4) weeks of the Marketing Period the Affordable Housing Units will be exclusively marketed to the Council nominees, and the following will apply:
 - (a) the Council will have ten (10) Working Days to advertise the Affordable Housing Units and arrange viewing days for the potential tenants;
 - (b) the Council will then have ten (10) Working Days to confirm eligibility of the potential tenants against the Qualifying Criteria and then nominate those potential tenants to the Owner;
 - (c) subject to appropriate checks by the Owner that the Qualifying Criteria have been met each of the potential tenants will have then two (2) Working Days to confirm if they wish to take the particular Affordable Housing Unit for which they have applied;
 - (d) if the Owner (acting reasonably) considers that the Qualifying Criteria have not been met in respect of a particular proposed tenant, it will notify the Council who will then have an additional ten (10) Working Days to nominate an alternative tenant for that particular Affordable Housing Unit.
4. Where more than one potential tenant wants the same Affordable Housing Unit, priority will be given as per the following hierarchy:
 - (a) Households on the Council's housing waiting list;
 - (b) Households where at least one person both lives and works in the Borough;
 - (c) Households where at least one person either lives or works in the Borough;
 - (d) Households where at least one person lives or works in a neighbouring local authority.

5. After the initial 4-week period specified at paragraph 3 of this Fifth Schedule, any remaining available Affordable Housing Units can be marketed by both the Council and the Owner. Within this period the Council may still nominate potential tenants, however priority will be determined on a first come first served basis, subject to the Qualifying Criteria being met.

Subsequent Tenancies

6. Tenancies will require that tenants of the Affordable Housing Units must provide two (2) months' notice to the Owner and the Council of their intention to activate a break clause, at which point the Affordable Housing Unit can be marketed.
7. The principles and processes set out in paragraphs 3 to 5 of this Fifth Schedule, shall apply to any subsequent vacancies and tenancies.

Part 3 - Management Strategy and Annual Statement

1. FIVE (5) months before Practical Completion of the Affordable Housing Units the Owner shall submit a management strategy (the "**Affordable Housing Management Strategy**") in respect of the Affordable Housing Units to the Council for Approval to include the following:
 - (a) details of the individual weekly rent and service charge (noting that all rents are inclusive of service charges);
 - (b) management, maintenance and servicing agreements for the Affordable Housing Units/occupiers (e.g. on-site presence hours, bin disposal, visitor parking);
 - (d) details as to how the units will be marketed to prospective tenants (for both first and subsequent lettings) and the different forms of media proposed to be used; and
 - (e) a plan showing the location and purpose of all communal facilities within the Development.
2. Within FOUR (4) weeks of the Affordable Housing Management Strategy being submitted by the Owner:

- a. The Council shall confirm whether it accepts the Affordable Housing Management Strategy submitted by the Owner; or
- b. The Council shall provide to the Owner details of amendments it reasonably considers are necessary to the submitted Affordable Housing Management Strategy.

If the Council has not confirmed whether it accepts the Affordable Housing Management Strategy submitted by the Owner or requested changes to it within six (6) weeks of the Affordable Housing Management Strategy being submitted it shall be deemed to be approved.

3. If amendments are requested to the Affordable Housing Management Strategy by the Council pursuant to paragraph 2(b) of this Fifth Schedule:
 - a. The Owner shall amend the Affordable Housing Management Strategy requested by the Council and resubmit it;
 - b. The Council shall confirm to the Owner within one (1) week of the amended Affordable Housing Management Strategy being submitted whether it is approved as amended;
 - c. If the Council does not notify the Owner that it objects to the amended Affordable Housing Management Strategy within one week it shall be deemed to be approved;
 - d. If the Council notifies the Owner that it objects to the amended Affordable Housing Management Strategy, the Council and the Owner shall either agree to repeat the process set out in paragraphs 2(b) and 3 of this Fifth Schedule or refer the dispute for resolution in accordance with Clause 14.
4. No Affordable Housing Units are to be Occupied until the Affordable Housing Management Strategy has been Approved in writing by the Council.
5. No Affordable Housing Unit shall be Occupied other than in accordance with the Approved Affordable Housing Management Strategy (as may be revised from time to time with the written Approval of the Council).

6. The Owner shall maintain the Market Housing Units as Build to Rent Dwellings for a minimum period of twenty (20) years (or such other period as may be agreed with the Council from time to time in writing) from the date of this agreement.
7. The Owner shall submit an annual statement to the Council with such evidence as is reasonably required by the Council to confirm that the Owner is complying with the requirements of this Fifth Schedule.

Part 4- Viability Review

1. VIABILITY REVIEW TRIGGER

The Owner shall notify the Council in writing of the anticipated Review Date not less than ten (10) Working Days in advance of that date.

2. SUBMISSION OF DEVELOPMENT VIABILITY INFORMATION AND OTHER INFORMATION

- 2.1 No later than twenty (20) Working Days after the Review Date, the Owner shall submit the following information in respect of the relevant Phase:

- (a) The Development Viability Information for the Formula; and
- (b) A written statement that applies the applicable Development Viability Information to the Formula (PROVIDED ALWAYS THAT if the result produced by the Formula is less than zero it shall be deemed to be zero).

3. ASSESSMENT OF DEVELOPMENT VIABILITY INFORMATION AND OTHER INFORMATION

- 3.1 The Council shall assess the Development Viability Information submitted pursuant to paragraph 2 of this Fifth Schedule for each Phase and shall assess the Development Viability Information for the Development as a whole when the Development Viability Information for the final Phase has been submitted. If the profit in respect of the Development as a whole as calculated by the Formula is greater than the Target Return for the Development as a whole the Owner shall make 50% of any profit which exceeds the Target Return available for the provision of further Affordable Housing in accordance with this paragraph 3. For the avoidance of doubt, if the Owner makes a deficit on one Phase, this deficit shall be carried forward to the assessment of the Development Viability Information on the next Phase to be assessed. The final assessment is to be made on the occupation of 90% of units within the final phase.

- 3.2 The Council may appoint an External Consultant to assess the information submitted pursuant to paragraph 2.
- 3.3 In the event that the Council and/or an External Consultant reasonably requires further Development Viability Information or supporting evidence of the same then the Owners shall provide any reasonably required information to the Council or the External Consultant (as applicable and with copies to the other parties) within ten (10) Working Days of receiving the relevant request and this process may be repeated until the Council and/or the External Consultant (as applicable) has all the information it reasonably requires to assess whether in its view any Review Contribution is required in accordance with the Formula subject to the Review Cap.
- 3.4 If the Council and/or External Consultant determines following receipt of the information submitted pursuant to paragraph 2 of this Fifth Schedule that the Review Date has not occurred, then the Council may require the Owner to promptly submit additional information pursuant to paragraph 2 of this Fifth Schedule or to re-submit the information required under paragraph 2 of this Fifth Schedule upon the occurrence of the Review Date (as reasonably determined by the Council).
- 3.5 The Council or its External Consultant shall complete its assessment of the information submitted pursuant to paragraph 2 of this Fifth Schedule and the Council shall confirm the result to the Owner within twenty eight (28) working days.
- 3.6 Where the Council has concluded as a result of its assessment pursuant to paragraph 3.1 of this Fifth Schedule that the Owner's profit on the Development is above the Target Return, the Owner shall confirm to the Council within two (2) months of the date of the Council's assessment of the development as a whole pursuant to paragraph 3.5 of this Fifth Schedule whether it shall pay the Review Contribution or provide Additional Affordable Housing.
- 3.7 If the Owner notifies the Council pursuant to paragraph 3.6 of this Fifth Schedule that it shall pay the Council the Review Contribution, it shall indicate the sum to the Council when providing notice. Such sum shall be 50% of the profit in excess of the Target Return PROVIDED ALWAYS that the Owner's contribution required by this paragraph 3 shall be limited to the Review Cap. The Owner shall pay to the Council the Review Contribution within ten (10) days of the Owner serving notice in accordance with this paragraph.

- 3.8 If the Owner notifies the Council pursuant to paragraph 3.6 of this Fifth Schedule that it shall provide the Additional Affordable Housing, it shall provide an Additional Affordable Housing Scheme to the Council when providing notice and for the avoidance of doubt, the Owner shall not be required to pay the Review Contribution to the Council.
- 3.9 If the Owner is to provide the Additional Affordable Housing, it shall do so in accordance with the Additional Affordable Housing Scheme PROVIDED ALWAYS that the Owner shall not be required to construct Additional Affordable Housing Units which take the total number of Affordable Housing Units constructed on the Site above 30% of the total Dwellings constructed. The Additional Affordable Housing Units shall be available for Occupation before the Occupation of 90% of the Market Housing Units and the Owner shall not permit the Occupation of more than 90% of the Market Housing Units until the Additional Affordable Housing Units are available for Occupation.
- 3.10 If the Owner is to provide the Additional Affordable Housing in accordance with the provisions of this paragraph 3, the Owner and the Council agree that the provisions of paragraph 1 of this Fifth Schedule shall apply mutatis mutandis to the provision of the Additional Affordable Housing Units.

Annex to Fifth Schedule ("the Formula") (Profit)

X = Surplus profit available for additional on-site affordable housing/payment in lieu

$$X = ((A-B) - (C-D) - P) - E$$

A = Estimated GDV and Actual GDV of development as determined at the time of the review (£)

B = Application Stage GDV of development as determined at the grant of planning permission (£)

C = Estimated Build Costs and Actual Build Costs as determined at the time of the review (£)

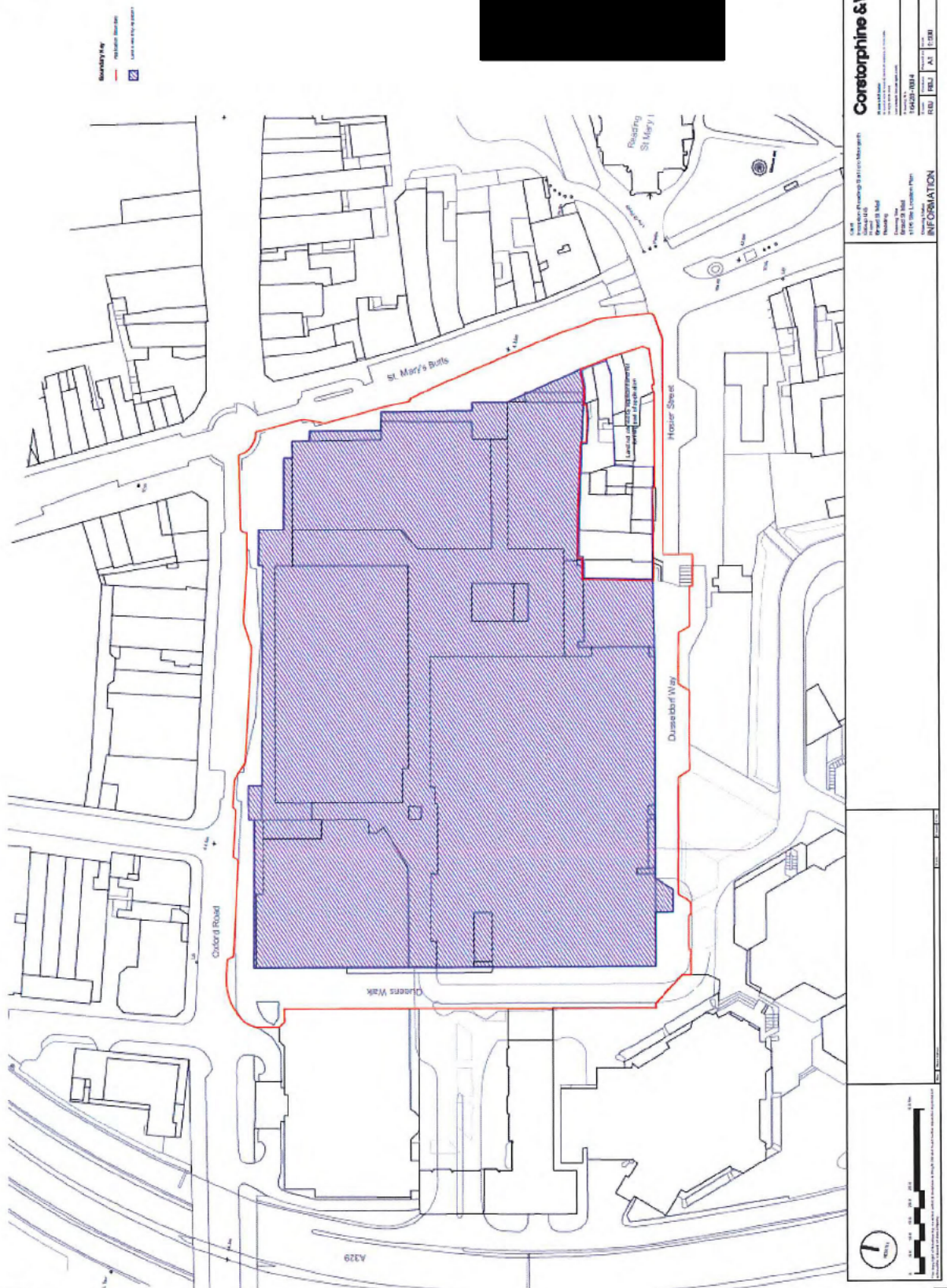
D = Application Stage Build Costs as determined at grant of planning permission (£)

E = Deficit (Benchmark Land Value - Residual Land Value)

P = (A-B) *Y Developer profit on change in GDV

Y = Developer profit as a percentage of GDV as determined at the application stage (%)

Plan



Chiara Deceglie

("the Public Realm Plan")

Public Realm Plan

The map is for the Public Realm Plan for the Broad Street area. It shows the layout of the area, including the Broad Street, Oxford Road, and the surrounding buildings. The map is a plan view, showing the layout of the area, including the Broad Street, Oxford Road, and the surrounding buildings. The map is a plan view, showing the layout of the area, including the Broad Street, Oxford Road, and the surrounding buildings.

NO.	DATE	REVISION	BY	CHKD	APPD
1	15/03/20	Initial Design	CD	CD	CD
2	16/03/20	Final Design	CD	CD	CD

INFORMATION

Project Name: Broad Street Hall, Reading

Client: Reading City Council

Project No: 15/03/20

Project No: 15/03/20

Project No: 15/03/20

Project No: 15/03/20

Project No: 15/03/20

Project No: 15/03/20

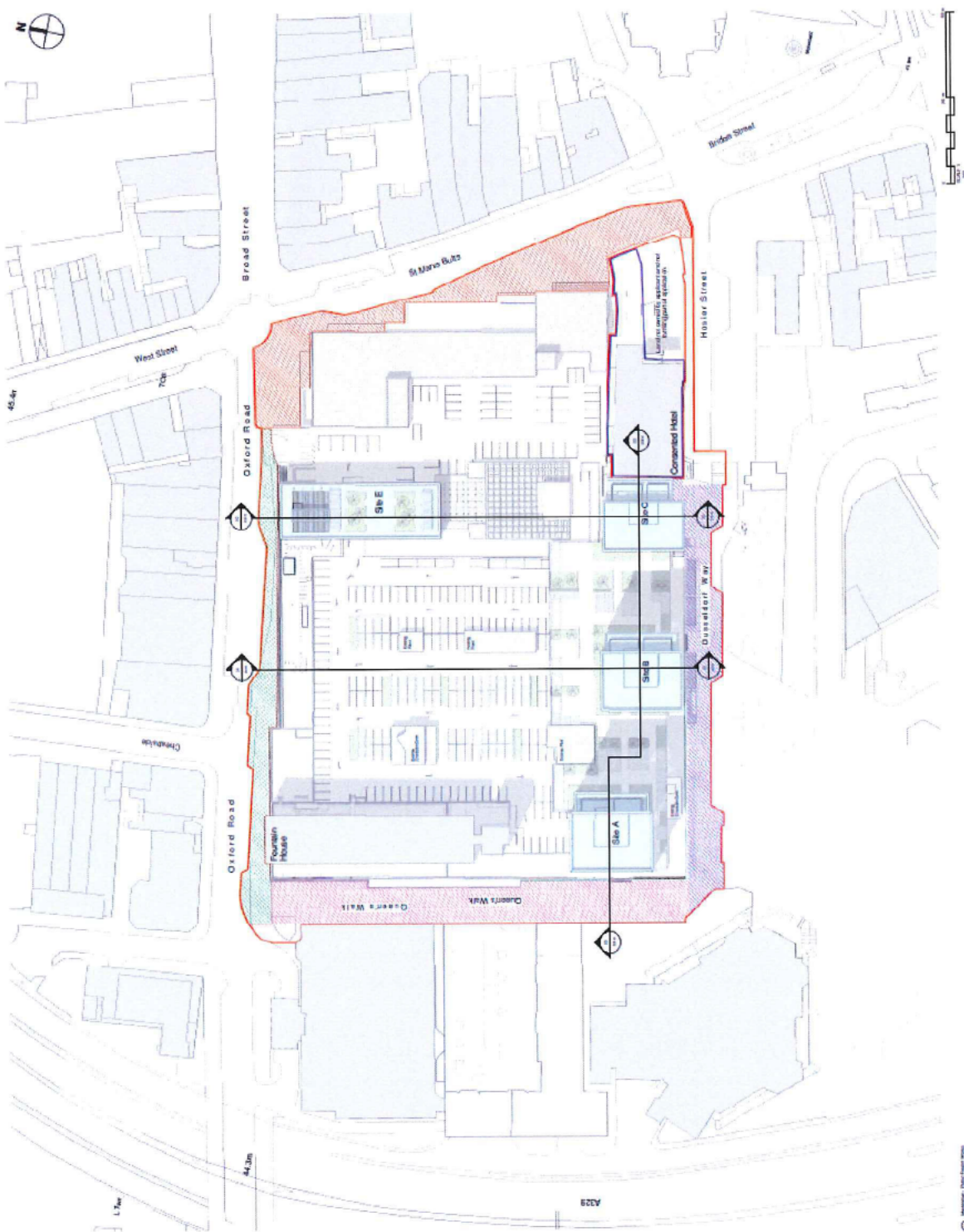
Project No: 15/03/20

Project No: 15/03/20

Project No: 15/03/20

Project No: 15/03/20

Project No: 15/03/20



Chiara Deceglie

("the Affordable Housing Plans")

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Affordable Housing Plan - 2nd Floor

Room	Area (sq. ft.)	Area (sq. m.)	Volume (cu. ft.)	Volume (cu. m.)
101	1,100.00	101.71	11,000.00	311.46
102	1,100.00	101.71	11,000.00	311.46
103	1,100.00	101.71	11,000.00	311.46
104	1,100.00	101.71	11,000.00	311.46
105	1,100.00	101.71	11,000.00	311.46
106	1,100.00	101.71	11,000.00	311.46
107	1,100.00	101.71	11,000.00	311.46
108	1,100.00	101.71	11,000.00	311.46
109	1,100.00	101.71	11,000.00	311.46
110	1,100.00	101.71	11,000.00	311.46
111	1,100.00	101.71	11,000.00	311.46
112	1,100.00	101.71	11,000.00	311.46
113	1,100.00	101.71	11,000.00	311.46
114	1,100.00	101.71	11,000.00	311.46
115	1,100.00	101.71	11,000.00	311.46
116	1,100.00	101.71	11,000.00	311.46
117	1,100.00	101.71	11,000.00	311.46
118	1,100.00	101.71	11,000.00	311.46
119	1,100.00	101.71	11,000.00	311.46
120	1,100.00	101.71	11,000.00	311.46

PLANNING

Project: Affordable Housing Plan - 2nd Floor
 Date: 10/10/2024
 Drawn: [Name]
 Checked: [Name]
 Project: BROAD STREET MALL READINGS

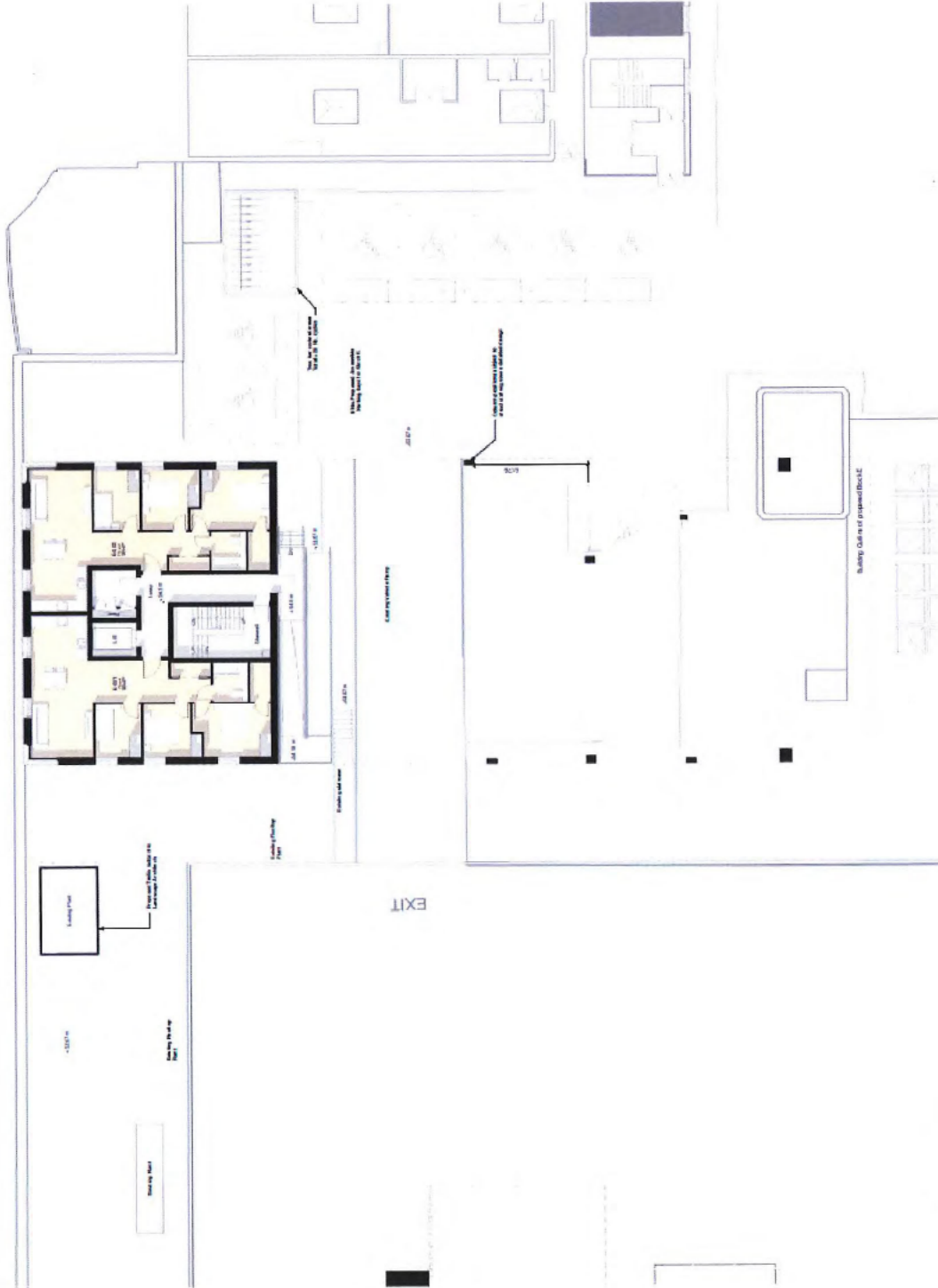


Site E - 2nd Floor - 3rd Floor Plan

Room	Area (sq. ft.)	Area (sq. m.)	Volume (cu. ft.)	Volume (cu. m.)
101	1,100.00	101.71	11,000.00	311.46
102	1,100.00	101.71	11,000.00	311.46
103	1,100.00	101.71	11,000.00	311.46
104	1,100.00	101.71	11,000.00	311.46
105	1,100.00	101.71	11,000.00	311.46
106	1,100.00	101.71	11,000.00	311.46
107	1,100.00	101.71	11,000.00	311.46
108	1,100.00	101.71	11,000.00	311.46
109	1,100.00	101.71	11,000.00	311.46
110	1,100.00	101.71	11,000.00	311.46
111	1,100.00	101.71	11,000.00	311.46
112	1,100.00	101.71	11,000.00	311.46
113	1,100.00	101.71	11,000.00	311.46
114	1,100.00	101.71	11,000.00	311.46
115	1,100.00	101.71	11,000.00	311.46
116	1,100.00	101.71	11,000.00	311.46
117	1,100.00	101.71	11,000.00	311.46
118	1,100.00	101.71	11,000.00	311.46
119	1,100.00	101.71	11,000.00	311.46
120	1,100.00	101.71	11,000.00	311.46

**CORSTORPINE
WRIGHT
ARCHITECTS**

101 Broad Street, Suite 100, New York, NY 10004
 Tel: 212 693 6644
 Email: info@corstorphinewright.com
 Website: www.corstorphinewright.com



The information contained herein is for informational purposes only and does not constitute an offer of any financial product or service. It is not intended to be used as a basis for investment decisions. The information is provided for general informational purposes only and is not intended to be used as a basis for investment decisions. The information is provided for general informational purposes only and is not intended to be used as a basis for investment decisions.



Affordable Housing Plan - 3rd to 6th Floor

Room Legend

- 1000
- 1001
- 1002
- 1003
- 1004
- 1005

Room	Area	Count	Total Area
1000	1,000 sq ft	1	1,000 sq ft
1001	1,000 sq ft	1	1,000 sq ft
1002	1,000 sq ft	1	1,000 sq ft
1003	1,000 sq ft	1	1,000 sq ft
1004	1,000 sq ft	1	1,000 sq ft
1005	1,000 sq ft	1	1,000 sq ft

PLANNING

Owner: [Redacted]
 Architect: [Redacted]
 Date: [Redacted]

BROAD STREET TALL RENOVATION

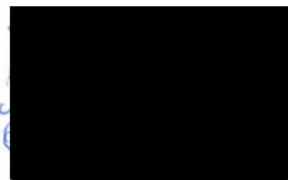


Site E - Grand Street - 3rd - 6th Floor Plan

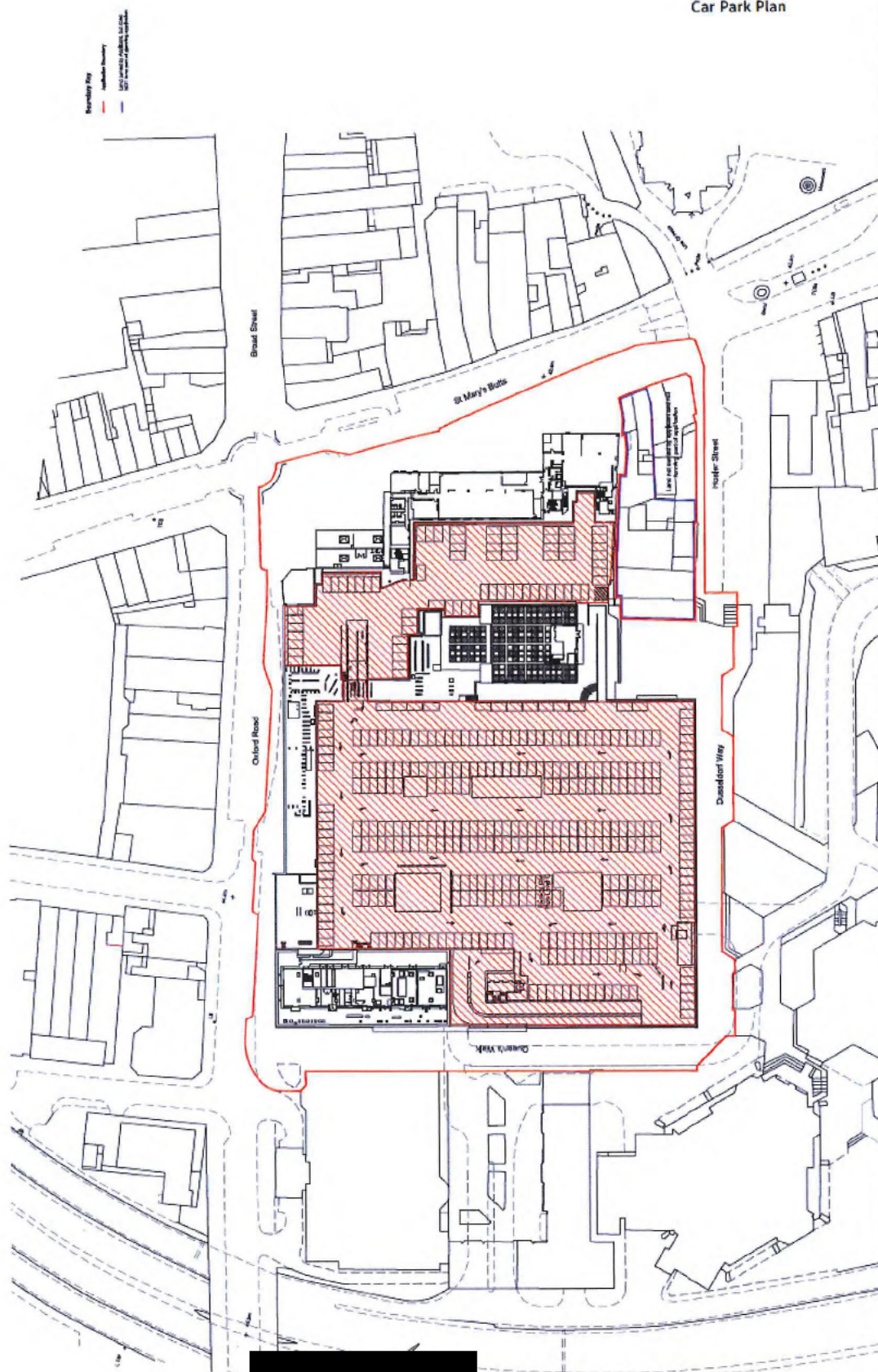
Room	Area	Count	Total Area
1000	1,000 sq ft	1	1,000 sq ft
1001	1,000 sq ft	1	1,000 sq ft
1002	1,000 sq ft	1	1,000 sq ft
1003	1,000 sq ft	1	1,000 sq ft
1004	1,000 sq ft	1	1,000 sq ft
1005	1,000 sq ft	1	1,000 sq ft

CORSTORPINE + WRIGHT
 ARCHITECTS

1000
 1001
 1002
 1003
 1004
 1005



Car Park Plan



Cortrophine & Wright

SPECIAL AGENT
 1000 West Main Street, Omaha, NE 68104
www.cortrophine.com

Looking to:

Country	Area	Date	Value
DC	NEL	A1	150.00
			2,030.52.31

Issued by: **Information**

ANNEXURE 2

(“the draft Planning Permission”)



Reading
Borough Council

Working better with you

**TOWN AND COUNTRY PLANNING ACT 1990
PLANNING AND COMPENSATION ACT 1991
THE TOWN & COUNTRY PLANNING
(DEVELOPMENT MANAGEMENT PROCEDURE) (ENGLAND) ORDER 2015**

APPLICATION FOR FULL PLANNING PERMISSION

To: DP9 Limited
100 Pall Mall
London
SW1Y 5NQ

Application No: 182137
Application type: Full Planning Approval

Applicant: Inception (Reading) Sarl (c/o Moorgarth Group Ltd)

READING BOROUGH COUNCIL as Local Planning Authority **GRANT FULL** planning permission for the following development in accordance with the plans and supporting information submitted in connection with this application.

Proposal: Construction of three residential buildings (Use Class C3) ranging in height from 5 to 20 storeys above Broad Street Mall (Site E to provide 42 units, Site B to provide up to 134 Units and Site A to provide up to 148 units) and provision of a podium level amenity area. Site C - construction of 16 storeys above Broad Street Mall (total of 18 storeys from ground level on South Court) comprising ground and first floor retail (Use Class A1/A2/A3)- and residential over upper floors (Use Class C3, to provide up to 98 units). Creation of ground floor retail units (Use Class A1/A3/A4) fronting Dusseldorf Way and ground floor retail (Use Class A1/A2/A3) fronting Queens Walk, all necessary enabling and alteration works required within the existing Broad Street Mall basement, ground and upper floors. Associated car park alterations, provision of servicing and refuse storage, cycle parking, public realm, landscape, and other associated works.

At: Broad Street Mall, Broad Street Reading, RG1 7QG

Subject to such conditions and for such reasons as may be attached

**OTHER STATUTORY CONSENTS MAY BE REQUIRED
PLEASE READ THE NOTES ISSUED WITH THIS DECISION NOTICE**

Date:

Head of Planning, Development
& Regulatory Services