



**Dated** **2026**

**THE GREATER LONDON AUTHORITY**

- and -

**THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF SOUTHWARK**

- and -

**BL CW HOLDINGS LIMITED**

- and -

**BL CW HOLDINGS PLOT A1 COMPANY LIMITED**

- and -

**BL CW PLOT A1 TRADING GP COMPANY LIMITED and BL CW PLOT A1 TRADING  
NOMINEE COMPANY LIMITED** as nominees for **BL CW PLOT A1 TRADING LIMITED  
PARTNERSHIP** acting by its general partner **BL CW PLOT A1 TRADING GP COMPANY LIMITED**

- and -

**BL CW HOLDINGS PLOT A2 COMPANY LIMITED**

- and -

**BL CW HOLDINGS PLOT K1 COMPANY LIMITED**

- and -

**NATIONAL WESTMINSTER BANK PLC**

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**THIRD MODIFICATION AGREEMENT**

pursuant to section 2E, section 106 and section 106A of the Town and Country Planning Act 1990  
in relation to land bounded by Lower Road (West), Redriff Road (South),  
Quebec Way (East), Surrey Quays Road and Canada Water Dock (North)  
and site at Roberts Close, London (known as Canada Water)

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Herbert Smith Freehills Kramer LLP  
(Local Planning Authority Reference 25/AP/0242)

**TABLE OF CONTENTS**

<b>Clause</b>	<b>Headings</b>	<b>Page</b>
1.	INTERPRETATION .....	4
2.	LEGAL EFFECT .....	7
3.	MODIFICATION OF THE PRINCIPAL AGREEMENT .....	8
4.	REGISTRATION .....	8
5.	LEGAL COSTS .....	9
6.	CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999 .....	9
7.	MISCELLANEOUS .....	9
8.	SATISFACTION OF OBLIGATIONS .....	9
9.	SECURITY AGENT .....	9
10.	COMMUNITY INFRASTRUCTURE LEVY REGULATIONS 2010 .....	10
	SCHEDULE 1 MODIFICATIONS TO THE PRINCIPAL AGREEMENT .....	11
	SCHEDULE 2 REPLACEMENT HOUSING OBLIGATIONS .....	25
	SCHEDULE 3 REPLACEMENT SPECIALIST ACCOMMODATION OBLIGATIONS .....	48
	SCHEDULE 4 REPLACEMENT STUDENT ACCOMMODATION OBLIGATIONS .....	53
	SCHEDULE 5 REPLACEMENT WHEELCHAIR HOUSING OBLIGATIONS .....	58
	SCHEDULE 6 DRAFT SECTION 73 PERMISSION .....	63
	ANNEX 1 REPLACEMENT ANNEX 8 (STRATEGIC HEALTH FACILITY AGREEMENT FOR LEASE AND LEASE HEADS OF TERMS) .....	64
	ANNEX 2 REPLACEMENT ANNEX 15 (HOUSING MIX) .....	72
	ANNEX 3 BASELINE VIABILITY APPRAISAL .....	74

**THIS DEED OF MODIFICATION** is made the                    day of                    two thousand and twenty-six

**B E T W E E N:**

- (1) **THE GREATER LONDON AUTHORITY** of City Hall, Kamal Chunchie Way, London, E16 1ZE (the "**GLA**");
- (2) **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF SOUTHWARK** of 160 Tooley Street, London, SE1 2TZ (the "**Council**");
- (3) **BL CW HOLDINGS LIMITED** (company registration number 10398435) whose registered office is situated at York House, 45 Seymour Street, London, W1H 7LX (the "**Developer**");
- (4) **BL CW HOLDINGS PLOT A1 COMPANY LIMITED** whose registered office is at York House, 45 Seymour Street, London, W1H 7LX (company registration number 10781493) ("**BLCWH A1**");
- (5) **BL CW PLOT A1 TRADING GP COMPANY LIMITED** (company registration number 14279174) and **BL CW PLOT A1 TRADING NOMINEE COMPANY LIMITED** (company registration number 14279618) as nominees for **BL CW PLOT A1 TRADING LIMITED PARTNERSHIP** (a limited partnership registered in England and Wales under registered number LP022783) acting by its general partner **BL CW PLOT A1 TRADING GP COMPANY LIMITED** each of which whose registered office is at York House, 45 Seymour Street, London, W1H 7LX ("**BLCWH A1 Trading**");
- (6) **BL CW HOLDINGS PLOT A2 COMPANY LIMITED** whose registered office is at York House, 45 Seymour Street, London, W1H 7LX (company registration number 10781503) ("**BLCWH A2**");
- (7) **BL CW HOLDINGS PLOT K1 COMPANY LIMITED** whose registered office is at York House, 45 Seymour Street, London, W1H 7LX (company registration number 10964993) ("**BLCWH K1**");  
and
- (8) **NATIONAL WESTMINSTER BANK PLC** whose registered office is at 250 Bishopsgate, London, EC2M 4AA (company registration number 00929027) (the "**Security Agent**").

**W H E R E A S:**

- (A) On 28 May 2020 the Council, the Developer, Transport for London ("**TfL**") and Union Property Holdings (London) Limited (the "**Guarantor**") entered into the Principal Agreement and the Original Planning Permission was granted by the Council on 29 May 2020.
- (B) The Council is the local planning authority for the area within which the Site (as defined in the Principal Agreement) is located and by whom the obligations in the Principal Agreement are enforceable.

- (C) The Council is the freehold owner of those parts of the Site shown hatched green on the Freehold and Leasehold Interests Plan (as defined in the Principal Agreement) registered at HM Land Registry under Title Numbers TGL340140, TGL339299, SGL391152, TGL298689, TGL130780, TGL136102 and SGL39254.
- (D) The Developer is the freehold owner of those parts of the Site shown shaded grey on the Freehold and Leasehold Interests Plan registered at HM Land Registry under Title Numbers TGL147500, TGL93274, TGL185589, TGL359834, TGL106589 and TGL128775 and was (at the date of the Principal Agreement) the leasehold owner of those parts of the Site shown shaded green on the Freehold and Leasehold Interests Plan registered at HM Land Registry under Title Numbers TGL22620 (the "**Existing SQSC Title**"), TGL59022, TGL135706, SGL460523, and SGL480198 (the "**Existing PW Titles**") and SGL491092. Following the grant of the New Lease (as defined in the Principal Agreement) the Existing SQSC Title and Existing PW Titles were merged into the New Lease.
- (E) On 16 December 2020 the Council granted the New Lease (as defined in the Principal Agreement) to the Developer and which is registered at HM Land Registry under Title Number TGL558025.
- (F) In accordance with the provisions of clause 4 of the Principal Agreement, on 16 December 2020 the Council, the Developer, TfL and the Guarantor entered into a Supplemental Agreement (as defined in the Principal Agreement) so as to bind the Developer's leasehold interest granted by the Council pursuant to the New Lease into the terms of the Principal Agreement.
- (G) TfL entered into the Principal Agreement in its capacity as a statutory public transport service provider and as the highway authority responsible for certain roads within the vicinity of the Site and by whom the TfL Obligations (as defined in the Principal Agreement) may be enforced. In accordance with clause 7.2 of the Principal Agreement it was agreed that the approval or consent of TfL for any modification or variation of the Principal Agreement shall only be required in respect of any modification or variation of a TfL Obligation.
- (H) The Guarantor agreed to guarantee the performance of the Developer's obligations contained in the Principal Agreement on the terms and subject to the provisions set out in Schedule 28 to the Principal Agreement. The Developer served notice on the Council to remove the Guarantor as a party pursuant to paragraph 2.1.3 of Schedule 28 to the Principal Agreement on 10 June 2024.
- (I) BLCWH A1 was granted a long leasehold interest out of the New Lease in respect of Development Plot A1 on 1 February 2023 (from and including 1 February 2023 to and including 10 December 2520) and which is registered at HM Land Registry under Title Number TGL599593 ("**Development Plot A1 Sublease**").
- (J) BLCWH A1 Trading was granted a long leasehold interest out of the Development Plot A1 Sublease in respect of the residential tower block to be located within Development Plot A1 on 8 February 2023

(from and including 8 February 2023 to and including 5 December 2520) and which is registered at HM Land Registry under Title Number TGL599595.

- (K) BLCWH A2 was granted a long leasehold interest out of the New Lease in respect of Development Plot A2 on 1 February 2023 (from and including 1 February 2023 to and including 15 December 2220) and which is registered at HM Land Registry under title number TGL599597.
- (L) BLCWH K1 was granted a long leasehold interest out of the New Lease in respect of Development Plot K1 on 16 April 2021 (for a term of 205 years from and including 16 April 2021) which is registered at HM Land Registry under Title Number TGL564889.
- (M) The Security Agent has the benefit of a legal charge dated 1 March 2023 over the Development Plot A1 Leasehold Interests, the Development Plot A2 Leasehold Interest and the Development Plot K1 Leasehold Interest and which is registered at HM Land Registry against those interests.
- (N) The Section 73 Application was submitted by the Developer and validated by the Council on 29 January 2025 with reference number 25/AP/0242.
- (O) On 1 December 2025, the Mayor of London gave a direction to the Council under the powers conferred by section 2A of the 1990 Act stating that he would act as the local planning authority for the purposes of determining the Section 73 Application.
- (P) At a representation hearing held on 27 March 2026, the Mayor of London resolved to grant planning permission in respect of the Development subject to conditions and completion of an agreement for the purpose of making acceptable arrangements for the carrying out of the Development.
- (Q) The provisions at paragraphs 1, 2, 4, 5 and 6 of Schedule 1 of this Deed are made in connection with the Section 73 Application and are required to be secured in order for the Section 73 Application to be granted.
- (R) The provisions at paragraphs 3, 7, 8, 9 and 10 of Schedule 1 of this Deed are not connected with the Section 73 Application and are required to be made regardless of the grant of the Section 73 Application.
- (S) The GLA is a body established by the Greater London Authority Act 1999 and is entering into this Deed on behalf of the Mayor of London.
- (T) The Council and the GLA agree that the Principal Agreement (as modified by this Deed) shall be enforceable only by the Council and not by the GLA.
- (U) The Council confirms and acknowledges that the GLA has consulted with them as to the terms of this Deed in accordance with section 2E of the 1990 Act.

- (V) Notwithstanding the provisions of clause 3 of the Principal Agreement, the Parties agree that it is necessary to and have agreed to modify the Principal Agreement in accordance with the terms set out in this Deed.
- (W) A consolidated version of the Principal Agreement as modified by this Deed is appended for reference at Annexure 1 to this Deed and is agreed by the Parties to be an accurate and comprehensive record of the planning obligations binding the Site.

**NOW THIS DEED WITNESSES:**

**1. Interpretation**

**1.1 In this Deed:**

- 1.1.1 unless the context otherwise requires, words and phrases whose meanings are not set out in clause 1.1.2 of this Deed have the same meanings as prescribed by the Principal Agreement as modified by this Deed;
- 1.1.2 the following terms and expressions shall have the meanings set out below:

<b>"Deed"</b>	means this deed of modification;
<b>"First Modification Agreement"</b>	means the agreement dated 10 July 2023 made pursuant to section 106A(1)(a) and section 106A(2) of the 1990 Act in relation to the Site which was entered into by the Council, the Developer, the Guarantor, the Plot Companies and the Security Agent and which varied the Principal Agreement;
<b>"Original Planning Permission"</b>	means the planning permission granted by the Council pursuant to application reference 18/AP/1604 on 29 May 2020 (as amended by various non-material amendments granted pursuant to section 96A of the 1990 Act);
<b>"Parties"</b>	means the GLA, the Council, the Developer, the Plot Companies and the Security Agent and "Party" shall refer to any of them as the context requires;
<b>"Plot Companies"</b>	means BLCWH A1, BLCWH A1 Trading, BLCWH A2 and BLCWH K1;

<b>"Principal Agreement"</b>	means the agreement dated 28 May 2020 made pursuant to section 106 of the 1990 Act between the Council, the Developer, TfL and the Guarantor as subsequently amended by the First Modification Agreement and the Second Modification Agreement;
<b>"Second Modification Agreement"</b>	means the agreement dated 21 November 2024 made pursuant to section 106, section 106A(1)(a) and section 106A(2) of the 1990 Act in relation to the Site which was entered into by the Council, the Developer, the Plot Companies and the Security Agent and which varied the Principal Agreement;
<b>"Section 73 Application"</b>	<p>means the application (reference 25/AP/0242) made under section 73 of the 1990 Act to amend the outline elements of the Planning Permission through variations to Condition 1 (Approved Plans), Condition 3 (Control Documents), Condition 4 (Floorspace cap), Condition 5 (Development Zones and permitted uses) for the following development:</p> <p>Hybrid application seeking detailed planning permission for Phase 1 and outline planning permission for future phases, comprising:</p> <p>Outline planning permission (all matters reserved) for the demolition of all existing structures and redevelopment to include a number of tall buildings comprising the following mix of uses: Retail, workspace, hotel, residential, assisted living, student accommodation, leisure (including a cinema), community facilities (including health and education uses), public toilets, nightclub), flexible events space, an energy centre, an interim and permanent petrol filling station, a primary electricity substation, a secondary entrance for Surrey Quays Rail Station, a Park Pavilion, landscaping including open spaces and public realm, works to the Canada Water Dock, car parking, means of access, associated infrastructure and highways works</p>

and demolition or retention with alterations to the Press Hall and/or the Spine Building of the Printworks; and

Detailed planning permission for the following Development Plots in Phase 1:

- Development Plot A1 (south of Surrey Quays Road and west of Deal Porters Way) to provide uses comprising retail (A1-A5), workspace (B1) and 186 residential units (C3) in a 6 and 34 storey building plus a basement.
- Development Plot A2 (east of Lower Road and west of Canada Water Dock) to provide a leisure centre (D2), retail (A1-A5), and workspace (B1) in a 4, 5 and 6 storey building plus a basement.
- Development Plot K1 (east of Roberts Close) to provide 79 residential units (C3) in a 5 and 6 storey building
- Interim Petrol Filling Station (north of Redriff Road and east of Lower Road) to provide a petrol filling station with kiosk, canopy and forecourt area.

Each Development Plot with associated car parking, cycle parking, landscaping, public realm, plant and other relevant works; and

**"Section 73 Permission"** means the planning permission in the form of the draft attached at Schedule 6 to be issued pursuant to the Section 73 Application.

1.1.6 where reference is made to a clause, paragraph, Schedule, recital or annex it is to a clause, paragraph, Schedule, recital or annex to this Deed except where otherwise provided in this Deed or where the context otherwise requires;

1.1.7 a reference to any statute, bye-law, regulation, order and delegated legislation includes any statute, bye-law, regulation, order or delegated legislation amending, re-enacting or modifying it from time to time and for the time being in force; and

1.1.8 headings within this Deed are for reference purposes only and shall not be taken into account in its construction or interpretation.

## 2. **Legal Effect**

2.1 This Deed is supplemental to and modifies the Principal Agreement and is made pursuant to section 2E, section 106, section 106A(1)(a) and section 106A(2) of the 1990 Act and all other enabling powers.

2.2 This Deed is entered into by the GLA pursuant to section 2E of the 1990 Act and the Council and the GLA agree that the Principal Agreement (as modified by this Deed) shall be enforceable only by the Council and not by the GLA.

2.3 Should any provisions in this Deed in whole or in part be found (for whatever reason) to be invalid or unenforceable then such invalidity or unenforceability shall not affect the validity or enforceability of the remaining provisions of this Deed or of the Principal Agreement as modified by this Deed.

2.4 The Plot Companies acknowledge and declare that this Deed has been entered into with their consent and that the Site is bound by the Principal Agreement as modified by this Deed and that their interest in the Site shall take effect subject to the Principal Agreement as modified by this Deed.

2.5 With the exception of clauses 1 to 10 of this Deed and paragraphs 3, 7, 8, 9 and 10 of Schedule 1 which shall take effect upon the date of this Deed, the remaining provisions of this Deed are conditional upon:

2.5.1 the Section 73 Permission having been granted; and

2.5.2 the Section 73 Permission being Commenced.

2.6 With the exception of clauses 1 to 10 of this Deed and paragraphs 3, 7, 8, 9 and 10 of Schedule 1 which shall remain in effect this Deed shall lapse and be of no effect if:

2.6.1 the Section 73 Permission is not granted, or is quashed or revoked at any time; or

2.6.2 the Section 73 Permission expires before it is Commenced,

provided that liability for pre-existing breaches of this Deed shall continue beyond the lapse of this Deed until such time as liability for those pre-existing breaches is fully discharged.

2.7 The Developer covenants with the Council to give the Council written notice in accordance with clause 20 of the Principal Agreement not less than 1 (one) calendar month prior to Commencement of the Section 73 Permission and it is agreed by the Parties that:

2.7.1 from the date of Commencement of the Section 73 Permission, the Developer covenants with the Council that it shall not cause or permit any further works to be carried out under the Original Planning Permission; and

2.7.2 the provisions of the Principal Agreement as modified by this Deed shall apply to any further Development pursuant to the Section 73 Permission

UNLESS the Section 73 Permission is quashed or is revoked or otherwise withdrawn in which case the provisions in paragraphs 1, 2, 4, 5 and 6 of Schedule 1 of this Deed shall cease to be binding on the Site and the Principal Agreement shall apply and bind the Site in respect of the Planning Permission as amended by paragraphs 3, 7, 8, 9 and 10 of Schedule 1 of this Deed which the Developer may thereafter continue to implement in accordance with its conditions and the Principal Agreement.

### **3. Modification of the Principal Agreement**

3.1 The Parties agree that subject to the provisions of clause 2.5, the Principal Agreement shall be modified as set out in the Schedules to this Deed.

3.2 Save as modified by this Deed, the obligations, covenants, conditions and undertakings contained within the Principal Agreement shall subject to clause 8 remain in full force and effect.

3.3 The Parties agree that no TfL Obligation is modified by this Deed and that pursuant to clause 7.2 of the Principal Agreement, the approval or consent of TfL for the modifications of the Principal Agreement effected by this Deed is therefore not required.

### **4. Registration**

4.1 As soon as reasonably practicable after the completion of this Deed, the Developer shall make an application to HM Land Registry for entries relating to this Deed to be made in the charges register(s) of the Title Numbers referred to in Recitals (C), (D), (E), (I),(J),(K) and (L) above.

4.2 If the Developer fails to make the application as referred to in clause 4.1, the Council shall (without prejudice to any other right) be entitled to register this Deed and recover the expenses incurred in doing so from the Developer and the Developer covenants with the Council to do or concur in doing all things necessary to enable the said entries to be made.

4.3 The covenants on behalf of the Parties to be observed and performed under the Principal Agreement as modified by this Deed shall be treated as Local Land Charges and this Deed shall be registered in the Register of Local Land Charges for the purposes of the Local Land Charges Act 1975.



whole or part of the Site in which case it too will be bound by the obligations in relation to that part of the Site as a person deriving title from the Developer.

10. **Community Infrastructure Levy Regulations 2010**

The Parties are satisfied that the planning obligations given by the Developer in Schedules 2 to 24 (inclusive) to the Principal Agreement as modified by this Deed accord with the three statutory tests set out in Regulation 122(2)(a)-(c) of the Community Infrastructure Levy Regulations 2010.

**SCHEDULE 1**  
**MODIFICATIONS TO THE PRINCIPAL AGREEMENT**

1. **Clause 1: Definitions and Interpretation**

1.1 The following definitions shall be inserted into clause 1 of the Principal Agreement in the correct alphabetical positions:

1.1.1 **"GLA"** means the Greater London Authority and any successor of its statutory function pursuant to the 1990 Act;

1.1.2 **"Original Section 106 Agreement"** means the agreement made on 28 May 2020 between the Council, the Developer, Transport for London ("TfL") and Union Property Holdings (London) Limited (the "Guarantor") pursuant to section 106 of the 1990 Act; and

1.1.3 **"Section 73 Permission"** means the planning permission for the Development granted pursuant to the application made pursuant to section 73 of the 1990 Act by the Developer to the Council and validated on 29 January 2025 with application reference 25/AP/0242.

1.2 The following definitions in clause 1 of the Principal Agreement shall be deleted and replaced with the following:

1.2.1 **"Application"** means the application (reference 25/AP/0242) made under section 73 of the 1990 Act for variations to Condition 1 (Approved Plans), Condition 3 (Control Documents), Condition 4 (Floorspace cap), Condition 5 (Development Zones and permitted uses) to hybrid planning permission dated 29th May 2020 (ref.18/AP/1604) for:

Hybrid application seeking detailed planning permission for Phase 1 and outline planning permission for future phases, comprising:

Outline planning permission (all matters reserved) for the demolition of all existing structures and redevelopment to include a number of tall buildings comprising the following mix of uses: Retail, workspace, hotel, residential, assisted living, student accommodation, leisure (including a cinema), community facilities (including health and education uses), public toilets, nightclub), flexible events space, an energy centre, an interim and permanent petrol filling station, a primary electricity substation, a secondary entrance for Surrey Quays Rail Station, a Park Pavilion, landscaping including open spaces and public realm, works to the Canada Water Dock, car parking, means of access,

associated infrastructure and highways works and demolition or retention with alterations to the Press Hall and/or the Spine Building of the Printworks; and

Detailed planning permission for the following Development Plots in Phase 1:

- Development Plot A1 (south of Surrey Quays Road and west of Deal Porters Way) to provide uses comprising retail (A1-A5), workspace (B1) and 186 residential units (C3) in a 6 and 34 storey building plus a basement.
- Development Plot A2 (east of Lower Road and west of Canada Water Dock) to provide a leisure centre (D2), retail (A1-A5), and workspace (B1) in a 4, 5 and 6 storey building plus a basement.
- Development Plot K1 (east of Roberts Close) to provide 79 residential units (C3) in a 5 and 6 storey building
- Interim Petrol Filling Station (north of Redriff Road and east of Lower Road) to provide a petrol filling station with kiosk, canopy and forecourt area.

Each Development Plot with associated car parking, cycle parking, landscaping, public realm, plant and other relevant works."

1.2.2 **"Development"** means the development permitted by the Section 73 Permission comprising detailed planning permission for Phase 1 and outline planning permission for future phases, comprising:

Outline planning permission (all matters reserved) for the demolition of all existing structures and redevelopment to include a number of tall buildings comprising the following mix of uses: Retail, workspace, hotel, residential, assisted living, student accommodation, leisure (including a cinema), community facilities (including health and education uses), public toilets, nightclub), flexible events space, an energy centre, an interim and permanent petrol filling station, a primary electricity substation, a secondary entrance for Surrey Quays Rail Station, a Park Pavilion, landscaping including open spaces and public realm, works to the Canada Water Dock, car parking, means of access,

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- Development Plot K1 (east of Roberts Close) to provide 79 residential units (C3) in a 5 and 6 storey building
- Interim Petrol Filling Station (north of Redriff Road and east of Lower Road) to provide a petrol filling station with kiosk, canopy and forecourt area.

Each Development Plot with associated car parking, cycle parking, landscaping, public realm, plant and other relevant works."

1.2.3 **""Individual Owner"** means any person who has acquired (by way of a bona fide purchase or lease at arm's length) an interest in any individual Residential Unit, Commercial Unit, Leisure Unit, community facility, cultural venue or night club, a flat or room within assisted living accommodation, a flat or room comprised within co-living accommodation, a flat or room comprised within student accommodation, energy centre, Electricity Substation, multi-storey car park, petrol filling station, flexible events space or public toilets within the Development (or any combination of the same) and who is not a Registered Provider for the purposes of Schedule 11 and was not involved in the construction or delivery of the Development or any part of it and who does not own any other type of interest in the Development."

1.2.4 **""Residential Unit"** means any separate unit of residential accommodation which is within Use Class C3 of the Town and Country Planning (Use Classes) Order 1987 (as amended) to be constructed on the Site pursuant to the Planning Permission together with any associated car parking space or spaces but excluding any such residential accommodation provided pursuant to Schedule 12 (Co-Living Accommodation) or

Schedule 13 (Student Accommodation) save for the purposes of Schedule 11 and Schedule 14 where it shall have the meaning defined in Schedule 11."

**2. Clause 5: Obligations of the Developer**

2.1 Clause 5.5 of the Principal Agreement shall be deleted and replaced as follows:

"5.5 Prior to first Occupation of each Residential Unit, co-living unit, unit of assisted living or student accommodation building the Developer shall notify the intended occupier of the relevant Residential Unit, co-living unit, unit of assisted living or student accommodation building of the Council's policy that they shall not be entitled (unless they are the holder of a disabled person's badge issued pursuant to section 21 of the Chronically Sick and Disabled Persons Act 1970) to a Parking Permit to park a vehicle in a Parking Bay and will not be able to buy a contract to park a vehicle within any car park owned, controlled or licensed by the Council.

**3. Clause 8: Developer to Notify the Council**

3.1 Clause 8.1.3 of the Principal Agreement shall be deleted and replaced as follows:

"8.1.3 not less than 1 (one) calendar month prior to Commencement of the Section 73 Permission and as soon as reasonably practicable following the Implementation of each Development Plot and each Development Phase;"

3.2 Clause 8.1.8 shall be deleted and replaced as follows:

"8.1.8 as soon as reasonably practicable following first Occupation of the first 1,000 Residential Units and each multiple of 1,000 Residential Units thereafter;"

3.3 Clause 8.1.15 shall be deleted.

**4. Schedule 6 – Health Facility**

4.1 Paragraph 1.4 of Schedule 6 to the Principal Agreement shall be deleted and replaced as follows:

"1.4 The Developer shall serve a Health Facility Offer on the Council by no later than 26 October 2026."

4.2 Paragraphs 2.3 and 2.4 of Schedule 6 to the Principal Agreement shall be deleted and replaced as follows:

" 2.3 Any Strategic Health Facility Lease shall be granted subject to a restrictive covenant that the land may only be used for the purpose of carrying on primary healthcare and for use as Market Housing Units and that for a period of 25 years from the date of the Strategic Health Facility Lease any development on the Development Plot M Land is to be constructed pursuant to the

Planning Permission or any variation to the Planning Permission unless otherwise agreed with the Developer.

2.4 The premium to be paid for the Strategic Health Facility Lease by the Council shall be equivalent to a Red Book Valuation of the Development Plot M Land based on the land being utilised for the delivery of a health facility of 264 sq m and the maximum amount of Market Housing Units that may be delivered in accordance with the Planning Permission on the Development Plot M Land in accordance with the obligations in relation to Affordable Housing contained at Schedule 11 to this Agreement, less an amount equivalent to the Health Facility Initial Contribution."

**5. Schedule 11 – Housing**

5.1 Schedule 11 to the Principal Agreement shall be deleted and replaced with the contents of Schedule 2 to this Deed.

**6. Schedule 12 – Specialist Housing**

6.1 Schedule 12 to the Principal Agreement shall be deleted and replaced with the contents of Schedule 3 to this Deed.

**7. Schedule 13 – Student Accommodation**

7.1 Schedule 13 to the Principal Agreement shall be deleted and replaced with the contents of Schedule 4 to this Deed.

**8. Schedule 14 – Wheelchair Housing**

8.1 Schedule 14 to the Principal Agreement shall be deleted and replaced with the contents of Schedule 5 to this Deed.

**9. Schedule 18 – Public Realm**

9.1 Paragraph 1.2.7 of Schedule 18 to the Principal Agreement shall be deleted and replaced as follows:

"1.2.7 not to Occupy any building containing Residential Units within Development Zone G until not less than 50% (fifty per cent) of the Park, including the frontages adjacent to Development Zone G, has been Practically Completed as a minimum to the Adoptable Standard, the Council has issued a Provisional Certificate in respect of the relevant part of the Park and the relevant part of the Park is open to the general public."

**10. Schedule 20 – Employment and Training**

10.1 Paragraph 3 of Schedule 20 to the Principal Agreement shall be deleted and replaced as follows:

"3.1 To provide the Employment Services Facility by not later than the first Occupation of more than 80,000 sq m (GEA) of Workspace and/or Retail Floorspace and thereafter to retain the Employment Services Facility until Completion of the Development."

**11. Schedule 21 – Affordable Retail and Affordable Workspace**

11.1 The following definitions in Schedule 21 to the Principal Agreement shall be deleted and replaced as follows:

**"Affordable Retail"** means 4,900 sq m (GIA) of Retail Floorspace within the Development or the Dock Offices to be provided to Qualifying Occupiers pursuant to an Affordable Retail Lease and which may comprise physical units or where otherwise permitted to be developed floorspace of any of the following types:

- (a) market stalls;
- (b) container;
- (c) kiosk;
- (d) cart; and
- (e) such other similar types of retail space as may be proposed by the Developer and agreed by the Council;

**"Co-Working Space"** means 11,500 sq m (GIA) of Workspace within the Development to be provided as a shared Workspace including shared serviced facilities which offers floorspace on pay-as-you-go semi-permanent or hot-desking terms;

**"Discounted Workspace"** means 7,000 sq m (GIA) of Workspace within the Development or the Dock Offices to be provided by the Developer, a Group Company of the Developer or an Affordable Workspace Provider to Qualifying Occupiers pursuant to a Discounted Workspace Lease;

**"Qualifying Occupier(s)"** means either:

- (a) a registered charity, social enterprise or voluntary sector organisation; or
- (b) a business or person who at the time of accepting a lease of the relevant Discounted Workspace or Affordable Retail floorspace (as the case may be):
  - (i) is trading from no more than three premises;
  - (ii) is not a subsidiary of a larger company or business;
  - (iii) has a turnover of less than £2,000,000 (two million pounds) per annum;
  - (iv) is either trading from or living at an address in the Borough; and
  - (v) is reasonably considered by the Developer to have growth aspirations and potential; or
- (c) a business or a person who was previously a tenant of Surrey Quays Shopping Centre who ceased trading either permanently or temporarily or who relocated out of the Site immediately prior to the Development and who at the time of accepting a lease of the relevant Discounted Workspace or Affordable Retail floorspace (as the case may be):
  - (i) is trading from no more than three premises;
  - (ii) is not a subsidiary of a larger company or business;
  - (iii) has a turnover of less than £2,000,000 (two million pounds) per annum; and
  - (iv) is reasonably considered by the Developer to have growth aspirations and potential;

11.2 Paragraph 1.4 of Schedule 21 to the Principal Agreement shall be deleted and replaced as follows:

"1.4 The Developer will market or procure the marketing of the Affordable Retail floorspace to be provided in connection with a Retail Plot to Qualifying Occupiers in accordance with the approved arrangements for its marketing for a period of not less than six months prior to the anticipated date of Practical Completion of the relevant Affordable Retail floorspace (unless the Developer has already identified a Qualifying Occupier to Occupy the relevant Affordable Retail floorspace to be provided in connection with a Retail Plot and has agreed a lease for that Affordable Retail floorspace with that Qualifying Occupier on or before the date that is six months prior to the anticipated date of Practical Completion of the

relevant Affordable Retail floorspace), and unless the Developer has then entered into and completed a lease for that Affordable Retail floorspace with a Qualifying Occupier on or before Practical Completion the Developer shall continue to market or procure the marketing of that Affordable Retail floorspace to Qualifying Occupiers for a further period of not less than nine months (or such shorter period as may be agreed in writing by the Council in its absolute discretion) following its Practical Completion PROVIDED THAT:

- 1.4.1 where a lease has not been agreed or discussions with a potential Qualifying Occupier are not ongoing in relation to the Affordable Retail floorspace six months after the commencement of its marketing the Developer shall provide to the Council a report to evidence the marketing undertaken and shall have due regard to any reasonable recommendations made by the Council in respect of the arrangements for the marketing of the Affordable Retail floorspace and the Developer shall where necessary update the details of the arrangements to market the Affordable Retail floorspace to Qualifying Occupiers;
- 1.4.2 where a lease has not been agreed or discussions with a potential Qualifying Occupier are not ongoing in relation to the Affordable Retail floorspace six months following its Practical Completion the Developer shall provide to the Council a further report to evidence the marketing undertaken and shall have due regard to any reasonable recommendations made by the Council in respect of the arrangements for the marketing of the Affordable Retail floorspace and the Developer shall where necessary update the details of the arrangements to market the Affordable Retail floorspace to Qualifying Occupiers;
- 1.4.3 the requirement for the Affordable Retail floorspace to be let to a Qualifying Occupier who is trading from or living at an address within the Borough shall fall away six months after Practical Completion of the relevant Affordable Retail floorspace (or such shorter period as may be agreed in writing by the Council in its absolute discretion);
- 1.4.4 the Developer shall not be obliged to let the Affordable Retail floorspace to any person whom it reasonably deems is not an appropriate occupier of the Affordable Retail floorspace, taking into account the Developer's wider strategy for the letting of Retail Floorspace and Workspace in that location and any legally binding commitments with other Occupiers within the Development; and
- 1.4.5 subject to:
  - (A) the Developer providing the Council with a report evidencing the marketing of the Affordable Retail floorspace carried out by the

Developer and the details of any offers which have been made in respect of the Affordable Retail floorspace;

- (B) the Council confirming to the Developer that it is satisfied that the Developer has marketed the Affordable Retail floorspace in accordance with the approved and/or updated arrangements for its marketing and has not unreasonably withheld or delayed the completion of an Affordable Retail lease (such approval not to be unreasonably withheld or delayed); and
- (C) the Developer offering an Affordable Retail Lease for the relevant Affordable Retail floorspace to the Council at the same time as providing the report referred to at paragraph 1.4.5 (A) and the Council confirming within six weeks from the date of provision of the report referred to at paragraph 1.4.5 (A) that it will not enter into an Affordable Retail Lease offered by the Developer for that Affordable Retail floorspace (such confirmation not to be unreasonably withheld and delayed),

where a lease has not been agreed or discussions with a potential Qualifying Occupier are not ongoing nine months following the Practical Completion of the relevant Affordable Retail floorspace (or such shorter period as may be agreed in writing by the Council in its absolute discretion), the obligation to market and provide that Affordable Retail floorspace shall cease and the Developer may let such floorspace without restriction and the amount of floorspace comprised in that Affordable Retail floorspace shall be deducted from the 4,900 sq m (GIA) required to be provided as Affordable Retail floorspace."

11.3 Paragraph 1.5 of Schedule 21 to the Principal Agreement shall be deleted and replaced as follows:

"1.5 Where any Affordable Retail Lease is terminated or expires the Developer shall (unless the Developer has already identified a Qualifying Occupier to occupy the relevant Affordable Retail floorspace to be provided in connection with a Retail Plot and has agreed a lease for that Affordable Retail floorspace with that Qualifying Occupier on or before the termination or expiration of the relevant Affordable Retail Lease) commence or procure the marketing of that Affordable Retail floorspace to Qualifying Occupiers in accordance with the previously approved arrangements for marketing of the Affordable Retail floorspace for a period of not less than six months (or such shorter period as may be agreed in writing by the Council in its absolute discretion) subject to the following:

1.5.1 the requirement for the Affordable Retail floorspace to be let to a Qualifying Occupier who is trading from or living at an address within the Borough shall fall

away where the Affordable Retail floorspace has been marketed as Affordable Retail floorspace for not less than three months without a Qualifying Occupier being found;

1.5.2 the Developer shall not be obliged to let the Affordable Retail floorspace to any person whom it reasonably deems is not an appropriate occupier of the Affordable Retail floorspace, taking into account the Developer's wider strategy for the letting of Retail Floorspace and Workspace in that location and any legally binding commitments with other Occupiers within the Development; and

1.5.3 subject to:

(A) the Developer providing the Council with a report evidencing the marketing of the Affordable Retail floorspace carried out by the Developer and the details of any offers which have been made in respect of the Affordable Retail floorspace;

(B) the Council confirming to the Developer that it is satisfied that the Developer has marketed the Affordable Retail floorspace in accordance with the approved arrangements for its marketing and has not unreasonably withheld or delayed the completion of an Affordable Retail Lease (such approval not to be unreasonably withheld); and

(C) the Developer offering an Affordable Retail Lease for the relevant Affordable Retail floorspace to the Council at the same time as providing the report referred to at paragraph 1.5.3 (A) and the Council confirming within six weeks from the date of provision of the report referred to at paragraph 1.5.3 (A) that it will not enter into an Affordable Retail Lease offered by the Developer for that Affordable Retail floorspace (such confirmation not to be unreasonably withheld and delayed),

where a lease has not been agreed or discussions with a potential Qualifying Occupier are not ongoing six months following the commencement of the marketing of the Affordable Retail floorspace (or such shorter period as may be agreed in writing by the Council in its absolute discretion) the obligation to market that floorspace as Affordable Retail floorspace shall cease and the Developer may let such floorspace without restriction and the amount of floorspace comprised in that Affordable Retail floorspace shall be deducted from the 4,900 sq m (GIA) required to be provided as Affordable Retail floorspace.".

11.4 Paragraph 2.5 of Schedule 21 to the Principal Agreement shall be deleted and replaced as follows:

"2.5 The Affordable Workspace Provider or the Developer or a Group Company of the Developer (as applicable) will market or procure the marketing of the Discounted Workspace provided in connection with a Workspace Plot in accordance with the approved arrangements for its marketing to Qualifying Occupiers for a period of not less than six months prior to the anticipated date of Practical Completion of the Discounted Workspace (unless the Affordable Workspace Provider or the Developer or a Group Company of the Developer (as applicable) has already identified a Qualifying Occupier to occupy the relevant Discounted Workspace to be provided in connection with a Workspace Plot and has agreed a lease for that Discounted Workspace with that Qualifying Occupier on or before the date that is six months prior to the anticipated date of Practical Completion of the relevant Discounted Workspace), and unless the Developer has then entered into and completed a lease for that Discounted Workspace with a Qualifying Occupier on or before Practical Completion the Developer shall continue to market or procure the marketing of that Discounted Workspace for a further period of not less than twelve months following its Practical Completion (or such shorter period as may be agreed in writing by the Council in its absolute discretion) subject to the following:

2.5.1 where a lease has not been agreed or discussions with a potential Qualifying Occupier are not ongoing in relation to the Discounted Workspace six months after the commencement of its marketing the Affordable Workspace Provider or the Developer or a Group Company of the Developer (as applicable) shall provide to the Council a report to evidence the marketing undertaken and shall have due regard to any reasonable recommendations made by the Council in respect of the arrangements for the marketing of the Discounted Workspace and the Developer shall where necessary update the details of the arrangements to market the Discounted Workspace to Qualifying Occupiers;

2.5.2 where a lease has not been agreed or discussions with a potential Qualifying Occupier are not ongoing in relation to the Discounted Workspace six months following its Practical Completion the Affordable Workspace Provider or the Developer or a Group Company of the Developer (as applicable) shall provide to the Council a report to evidence the marketing undertaken and shall have due regard to any reasonable recommendations made by the Council in respect of the arrangements for the marketing of the Discounted Workspace and the Developer shall where necessary update the details of the arrangements to market the Discounted Workspace to Qualifying Occupiers;

2.5.3 the requirement for the Discounted Workspace to be let to a Qualifying Occupier who is trading from or living at an address within the Borough shall fall away six months after Practical Completion of the relevant Discounted Workspace;

2.5.4 the Affordable Workspace Provider or the Developer or a Group Company of the Developer (as applicable) shall not be obliged to let the Discounted Workspace to any person whom it reasonably deems is not an appropriate Occupier of the Discounted Workspace, taking into account the Developer's wider strategy for the letting of Workspace in that location and any legally binding commitments with other Occupiers within the Development; and

2.5.5 subject to:

- (A) the Affordable Workspace Provider or the Developer or a Group Company of the Developer (as applicable) providing the Council with a report evidencing the marketing of the Discounted Workspace carried out by the Developer and the details of any offers which have been made in respect of the Discounted Workspace;
- (B) the Council confirming to the Affordable Workspace Provider or the Developer or a Group Company of the Developer (as applicable) that it is satisfied that the Affordable Workspace Provider or the Developer or a Group Company of the Developer (as applicable) has marketed the Discounted Workspace in accordance with the approved and/or updated arrangements for its marketing and has not unreasonably withheld or delayed the completion of any Discounted Workspace Lease (such approval not to be unreasonably withheld); and
- (C) the Developer offering a Discounted Workspace Lease for the relevant Discounted Workspace to the Council at the same time as providing the report referred to at paragraph 2.5.5 (A) and the Council confirming within six weeks from the date of provision of the report referred to at paragraph 2.5.5 (A) that it will not enter into a Discounted Workspace Lease offered by the Affordable Workspace Provider or the Developer or a Group Company of the Developer (as applicable) for that Discounted Workspace (such confirmation not to be unreasonably withheld or delayed),

where a lease has not been agreed or discussions are not ongoing with a potential Qualifying Occupier twelve months following the Practical Completion of the relevant Discounted Workspace (or such shorter period as may be agreed in writing by the Council in its absolute discretion), the relevant Discounted Workspace shall no longer be required to be let pursuant to a Discounted Workspace Lease and the Developer may let it as Workspace without restriction and for the avoidance of doubt the amount of floorspace comprised in that

Discounted Workspace shall be deducted from the 7,000 sq m (GIA) required to be provided as Discounted Workspace."

11.5 Paragraph 2.6 of Schedule 21 to the Principal Agreement shall be deleted and replaced as follows:

"2.6 Where any Discounted Workspace Lease is terminated or expires the Affordable Workspace Provider or the Developer or a Group Company of the Developer (as applicable) shall (unless the Affordable Workspace Provider or the Developer or a Group Company of the Developer (as applicable) has already identified a Qualifying Occupier to occupy the relevant Discounted Workspace and has agreed a lease for that Discounted Workspace with that Qualifying Occupier on or before the termination or expiration of the relevant Discounted Workspace Lease) commence or procure the commencement of the marketing of that Discounted Workspace in accordance with the previously approved arrangements for the marketing of the Discounted Workspace to Qualifying Occupiers for a period of not less than six months (or such shorter period as may be agreed in writing by the Council in its absolute discretion) subject to the following:

2.6.1 the requirement for the Discounted Workspace to be let to a Qualifying Occupier who is trading from or living at an address within the Borough shall fall away where the Discounted Workspace has been marketed as Discounted Workspace for not less than three months without an Occupier being found;

2.6.2 the Developer shall not be obliged to let the Discounted Workspace to any person whom it reasonably deems is not an appropriate Occupier of the Discounted Workspace, taking into account the Developer's wider strategy for the letting of Workspace in that location and any legally binding commitments with other Occupiers within the Development; and

2.6.3 subject to:

(A) the Affordable Workspace Provider or the Developer or a Group Company of the Developer (as applicable) providing the Council with a report evidencing the marketing of the Discounted Workspace carried out by the Developer and the details of any offers which have been made in respect of the Discounted Workspace;

(B) the Council confirming to the Affordable Workspace Provider or the Developer or a Group Company of the Developer (as applicable) that it is satisfied that the Affordable Workspace Provider or the Developer or a Group Company of the Developer (as applicable) has marketed the Discounted Workspace in accordance with the approved arrangements for its marketing and has not unreasonably withheld or delayed the

completion of any Discounted Workspace Lease (such approval not to be unreasonably withheld or delayed); and

- (C) the Developer offering a Discounted Workspace Lease for the relevant Discounted Workspace to the Council at the same time as providing the report referred to at paragraph 2.6.3 (A) and the Council confirming within six weeks from the date of provision of the report referred to at paragraph 2.6.3 (A) that it will not enter into a Discounted Workspace Lease offered by the Affordable Workspace Provider or the Developer or a Group Company of the Developer (as applicable) for that Discounted Workspace (such confirmation not to be unreasonably withheld or delayed),

where a lease has not been agreed or discussions with a potential Qualifying Occupier are not ongoing six months following the commencement of the marketing of the Discounted Workspace (or such shorter period as may be agreed in writing by the Council in its absolute discretion), the obligation to market that floorspace as Discounted Workspace shall cease and the Developer may let it as Workspace without restriction and the amount of floorspace comprised in that Discounted Workspace shall be deducted from the 7,000 sq m (GIA) required to be provided as Discounted Workspace."

## **12. Schedule 25 – Council's and TFL's Obligations**

- 12.1 At paragraph 1.5.3 delete the words "paragraph 2.1.11 of Part 4 of "

## **13. Replacement Annex 8 and Annex 15**

- 13.1 Annex 8 (Strategic Health Facility Agreement for Lease and Lease Heads of Terms) shall be deleted and replaced with Annex 1 (Strategic Health Facility Agreement for Lease and Lease Heads of Terms) to this Deed.
- 13.2 Annex 15 (Housing Mix) shall be deleted and replaced with Annex 2 (Housing Mix) to this Deed.

## **14. New Annex 44**

- 14.1 Annex 3 (Baseline Viability Appraisal) to this Deed shall be added as a new Annex 44 to the Principal Agreement.

**SCHEDULE 2**

**REPLACEMENT HOUSING OBLIGATIONS**

## SCHEDULE 11

### HOUSING

#### Definitions

In this Schedule 11, the following words and phrases shall have the following meanings unless the context otherwise requires:

- "Additional Affordable Housing Scheme"** means a scheme prepared by the Developer and submitted to the Council for approval setting out the additional Habitable Rooms to be provided as Affordable Housing pursuant to Part 3 or Part 4 of this Schedule 11 and which:
- (a) confirms the location and tenure of the additional Habitable Rooms; and
  - (b) provides an indicative timetable for construction and delivery of the additional Habitable Rooms;
- "Affordable Housing"** means housing provided to households whose incomes are insufficient to enable them to afford adequate housing locally on the open market and where the rent or price for such housing is reduced, directly or indirectly, compared to equivalent housing on the open market;
- "Affordable Housing Units"** means those Residential Units provided as Social Rented Units and/or Intermediate Housing Units;
- "Affordable Housing Units (Phase 1 Development)"** means 60 Social Rented Units (222 Habitable Rooms) and 19 Shared Ownership Units (64 Habitable Rooms) within Development Plot K1;
- "Affordable Housing Units (Phase 1 Development) Shortfall"** means the 8 Intermediate Housing Units (28 Habitable Rooms) that were not provided within Development Plot A1;
- "Affordable Housing Survey"** means an affordable housing survey submitted by the Council to the Developer and/or a Registered Provider and which may include a request for information as to the tenure, occupants, the eligibility of the tenant to occupy the dwelling and/or such other information as the Council may reasonably require in order to monitor and ensure the satisfactory provision of Affordable Housing within the Borough;

<b>"Baseline Viability Appraisal"</b>	means the agreed baseline forward-looking open book appraisal of the GDC, GDV and financial viability of the Residential Units to be constructed at the Development included at Annex 44 of this Agreement;
<b>"Build for Rent Units"</b>	means any Market Housing Units identified by the Developer as being purpose-built for rent and any Intermediate Housing Units for rent;
<b>"Certificate"</b>	means a written document prepared by the Council certifying that the provisions of paragraphs 12.4 and 12.5 of Part 2 of this Schedule 11 have been complied with in relation to the re-sale of a Discounted Market Sale Housing Unit;
<b>"Charge"</b>	means a mortgage, charge or other security or loan documentation granting a security interest in the Affordable Housing Units (or any number of them) in favour of the Chargee;
<b>"Chargee"</b>	means an established corporate body within the finance industry regulated by the Prudential Regulation Authority, the Financial Conduct Authority or any similar regulator, acting as a bona fide mortgagee or chargee of the Registered Provider at arm's length of the Affordable Housing Units (or any number of them) and any receiver (including an administrative receiver) and manager appointed by such mortgagee or chargee or any other person appointed under any security documentation to enable such mortgagee or chargee to realise its security or any administrator (howsoever appointed) including a housing administrator;
<b>"Co-Living Accommodation"</b>	means communal living accommodation comprising private individual rooms and shared spaces and facilities;
<b>"Co-Living Bedspace"</b>	means Co-Living Accommodation sleeping accommodation intended to be used for a single person;
<b>"Commuted Sum"</b>	means a commuted sum per Habitable Room which may be paid by the Developer to the Council pursuant to paragraphs 2.3, 2.4 and 2.7 of Part 2 of this Schedule 11 in lieu of the provision of an agreed number of Habitable Rooms as Affordable Housing Units within a relevant Tranche, and each such commuted sum(s) shall be the higher of:

- (a) the amount which is the difference between: (i) an appraisal of the relevant Tranche including that agreed number of Habitable Rooms as Affordable Housing Units and (ii) an appraisal of the relevant Tranche with that agreed number of Habitable Rooms replaced with Market Housing Units instead of Affordable Housing Units; and
- (b) the amount which is calculated by multiplying the agreed number of Habitable Rooms by £130,000 (one hundred and thirty thousand pounds) such figure to be increased in accordance with clause 15 by an amount equivalent to the increase in the BCIS General Building Cost index where for the purposes of clause 15 the calculation of (C) shall be the figure shown in the BCIS General Building Cost index for the period immediately prior to the date the Section 73 Permission is granted

and following payment all commuted sums received by the Council pursuant to Schedule 11 shall be used by the Council towards the delivery of Affordable Housing within the Borough in accordance with paragraph 1.3 of Schedule 25;

**"Date of Deemed Service"**

means, in each instance where a Chargee has served a Default Notice under paragraph 14.2.1 of Part 2 of this Schedule 11:

- (a) in the case of service by delivery by hand of the Default Notice to the Council's offices at 160 Tooley Street, London, SE1 2TZ between the hours of 9.30am to 5.30pm, the date on which the Default Notice is so delivered; or
- (b) in the case of service by using first class registered post to the Council's offices at 160 Tooley Street, London, SE1 2TZ, the second Working Day after the date on which the Default Notice is posted (by being placed in a post box or being collected by or delivered to Royal Mail) PROVIDED THAT the Chargee is able to evidence that the Default Notice was actually delivered to the Council (by Royal Mail proof of delivery or otherwise);

**"Default Notice"**

means a notice in writing served on the Council by the Chargee under paragraph 14.2.1 of Part 2 of this Schedule 11 of the Chargee's

intention to enforce its security over the relevant Affordable Housing Units;

**"Delivered"**

means:

- (a) Practically Complete;
- (b) in a habitable state and fully fitted out but excluding white goods, window dressings, furniture, fitted wardrobes, loose fittings and equipment; and
- (c) transferred or leased to a Registered Provider for a term of at least 125 years (or such shorter term as may be agreed in writing by the Council);

**"Discounted Market Rent Housing"**

means Affordable Housing provided to Eligible Persons at a rent that is not more than 70% (seventy per cent) of Local Market Rent and which meets the requirements for Intermediate Affordability;

**"Discounted Market Rent Units"**

means those Residential Units provided as Discounted Market Rent Housing;

**"Discounted Market Sale Housing"**

means Affordable Housing which on first sale is provided to Eligible Persons for an amount that is not more than 60% (sixty per cent) of the Local Market Value and which meets the requirements for Intermediate Affordability;

**"Discounted Market Sale Units"**

means those Residential Units provided as Discounted Market Sale Housing;

**"Disposal"**

means:

- (a) the Sale of any Residential Unit;
- (b) the grant of a lease of a term of less than 125 years of any Residential Unit; or
- (c) the grant of an assured shorthold tenancy agreement or a short term let in respect of a Residential Unit;

excluding Fraudulent Transactions and **"Dispose"**, **"Disposals"** and **"Disposed"** shall be construed accordingly;

**"Early Review Additional Profit"** means the amount of profit in pounds (if any) which represents the value of the Early Review Percentage Profit in excess of the Early Review IRR Target in the Early Review Viability Appraisal;

**"Early Review GDC"** means the sum of:

- (a) the forecasted costs of delivering and disposing of the Residential Units (excluding the Residential Units within the Phase 1 Development);
- (b) an apportioned amount of the cost of delivering Site-Wide Infrastructure calculated in accordance with the following formula:

$$\text{CF} \times \frac{\text{AA}}{\text{IA}}$$

where:

CF is the forecast costs to be incurred in relation to Site-Wide Infrastructure for the Development;

AA is the floorspace area (GIA) of the Residential Units within the latest illustrative masterplan (excluding the Residential Units within the Phase 1 Development); and

IA is the floorspace area (GIA) for the latest illustrative masterplan of the Development (subject to such illustrative masterplan being up to date as at the date of the review) excluding any floorspace which is comprised in the Site-Wide Infrastructure; and

- (c) an apportioned amount of the Fixed Benchmark Land Value equivalent to the area of the Site utilised for Residential Units (GIA) (excluding the Residential Units within the Phase 1 Development) as a proportion of the area of the Site as a whole

expressed as a figure in pounds;

**"Early Review GDV"** means the sum of:

(a) the Market Value of the Residential Units (excluding the Residential Units within the Phase 1 Development) PROVIDED THAT all Affordable Housing Units (including any Affordable Housing Units that are anticipated to be Sold to Seymour Street Homes Limited) shall be valued in line with the RICS Red Book and UK National Supplement guidance on affordable housing valuation; and

(b) any forecasted Grant Funding,

expressed as a figure in pounds;

**"Early Review IRR Target"**

means the amount of profit in pounds which represents an IRR of 15% (fifteen per cent) for the Residential Units to be constructed at the Development (excluding the Residential Units within the Phase 1 Development);

**"Early Review Percentage Profit"**

means the IRR (expressed as a percentage) for the Residential Units to be constructed at the Development (excluding the Residential Units within the Phase 1 Development);

**"Early Review Viability Appraisal"**

means an updated forward-looking open book appraisal of the Early Review GDC, Early Review GDV and financial viability of the Residential Units to be constructed at the Development within Tranche 1, Tranche 2, Tranche 3 and Tranche 4 at the time of such updated open book appraisal being undertaken and prepared on the same terms and using the same methodology as the Baseline Viability Appraisal (but updated to reflect evidence at the relevant time of GDC and GDV) to determine the Early Review Percentage Profit;

**"Eligible Person(s)"**

means:

(a) in respect of Intermediate Housing Units other than Key Worker Housing Units, Households whose Household Income is no more than the GLA Income Cap; and

(b) in respect of Key Worker Housing Units, persons employed by a Key Worker Employer each of whose individual Household Income is no more than the GLA Income Cap;

**"Final Review GDC"**

means the sum of:

(a) the total actual costs of delivering and Disposing of the completed and yet to be completed Residential Units within the Development and where any such Residential Units have not been Disposed at the time of the review, forecasted Disposal Costs of those Residential Units in each case supported by evidence of these costs to the Council's reasonable satisfaction, which evidence may include (but is not limited to) details of payments made or agreed to be paid in the relevant building contract and costs certified by the Developer's quantity surveyor, costs consultant or agent, such forecast having regard to any actual costs expended at the Site to date (suitably adjusted) where relevant;

(b) an apportioned amount of the cost of delivering Site-Wide Infrastructure calculated in accordance with the following formula:

$$(CA + CF) \times \frac{AA}{IA}$$

where:

CA is the costs incurred in relation to Site-Wide Infrastructure to date;

CF is the forecast costs to be incurred in relation to Site-Wide Infrastructure for the Development;

AA is the floorspace area (GIA) of the Residential Units within the latest illustrative masterplan; and

IA is the floorspace area (GIA) for the latest illustrative masterplan of the Development (subject to such illustrative masterplan being up to date as at the date of the review) excluding any floorspace which is comprised in the Site-Wide Infrastructure;

(c) an apportioned amount of the Fixed Benchmark Land Value equivalent to the area of the Site utilised for Residential Units (GIA) as a proportion of the area of the Site as a whole

and inserted at the date of the Original Section 106 Agreement; and

- (d) an allowance for finance costs calculated on the same terms as in the Baseline Viability Appraisal,

expressed as a figure in pounds;

**"Final Review GDV"**

means the sum of:

- (a) the total receipts from the Sale of the completed Residential Units actually Sold to purchasers on the date of the operation of the review;
- (b) the Market Value of any completed Residential Units otherwise Disposed of but not Sold on the date of the operation of the review PROVIDED THAT all Affordable Housing Units (including any Affordable Housing Units that are anticipated to be Sold to Seymour Street Homes Limited) shall be valued in line with the RICS Red Book and UK National Supplement guidance on affordable housing valuation;
- (c) any Grant Funding received in respect of the Development; and
- (d) in respect of any completed and yet to be completed Residential Units not yet Disposed of, the Market Value of those Residential Units (having regard to achieved values to date at the Site (suitably adjusted) where relevant) PROVIDED THAT all Affordable Housing Units (including any Affordable Housing Units that are anticipated to be Sold to Seymour Street Homes Limited) shall be valued in line with the RICS Red Book and UK National Supplement guidance on affordable housing valuation;

expressed as a figure in pounds;

<b>"Final Review IRR Target"</b>	means the amount of profit in pounds which represents an IRR of 15% (fifteen per cent) for the Residential Units to be constructed at the Development;
<b>"Final Review Surplus"</b>	means the amount of profit in pounds (if any) which represents the value of the Percentage Profit in excess of the Final Review IRR Target in the Final Viability Appraisal;
<b>"Final Viability Appraisal"</b>	means a backward-looking open book appraisal of the Final Review GDV, Final Review GDC, and financial viability of the Residential Units constructed (and to be constructed) at the Development (including for the avoidance of doubt Phase 1 Development costs and values) at the time of such updated open book appraisal being undertaken and prepared on the same terms and using the same methodology as the Baseline Viability Appraisal (but updated to reflect evidence at the relevant time of Final Review GDC and Final Review GDV) to determine whether there is any Surplus in relation to the Development;
<b>"Fixed Benchmark Land Value"</b>	means £228,050,000;
<b>"Fraudulent Transaction"</b>	means a Disposal that is not an arm's length bona fide transaction but excluding any Disposal to the Council or to Seymour Street Homes Limited;
<b>"Gateway 2 Approval"</b>	means the building control approval required pursuant to regulation 3 of the Building (Higher Risk Buildings Procedures) (England) Regulations 2023/909;
<b>"GDC"</b>	means the sum of: <ul style="list-style-type: none"> <li>(a) the forecasted costs of delivering and disposing of the Residential Units within the relevant Tranche supported by evidence of these costs to the Council's reasonable satisfaction, which evidence may include (but is not limited to) details of payments made or agreed to be paid in the relevant building contract and costs certified by the Developer's quantity surveyor, costs consultant or agent, such forecast having regard to any actual costs expended at the Site to date (suitably adjusted) where relevant;</li> </ul>

- (b) an apportioned amount of the cost of delivering Site-Wide Infrastructure calculated in accordance with the following formula:

$$\frac{CF \times TA}{IA}$$

where:

CF is the forecast costs to be incurred in relation to Site-Wide Infrastructure for the Development;

TA is the floorspace area (GIA) of the Residential Units within the latest illustrative masterplan for the relevant Tranche; and

IA is the floorspace area (GIA) for the latest illustrative masterplan of the Development (subject to such illustrative masterplan being up to date as at the date of the relevant review) excluding any floorspace which is comprised in the Site-Wide Infrastructure;

- (c) an apportioned amount of the Fixed Benchmark Land Value equivalent to the area of the Site utilised for Residential Units (GIA) within the relevant Tranche as a proportion of the area of the whole Site and inserted at the date of the Original Section 106 Agreement; and
- (d) an allowance for finance costs calculated on the same terms as in the Baseline Viability Appraisal,

expressed as a figure in pounds;

**"GDV"**

means the sum of:

- (a) the Market Value (having regard to any achieved values to date at the Site (suitably adjusted) where relevant) of the Residential Units within the relevant Tranche PROVIDED THAT all Affordable Housing Units (including any Affordable Housing Units that are anticipated to be Sold to Seymour Street Homes Limited) shall be valued in line with

the RICS Red Book and UK National Supplement guidance on affordable housing valuation; and

- (b) any Grant Funding secured in relation to the relevant Tranche,

expressed as a figure in pounds;

**"GLA Income Cap"**

means a purchaser(s) with a Household Income that does not exceed the annual gross income limit for the relevant tenure product as set out within the London Plan Annual Monitoring Report as at the date of the Section 73 Permission, being:

- (a) £67,000 in respect of intermediate for rent products (including Key Worker Housing Units); and
- (b) £90,000 in respect of intermediate for sale products,

in each case increased annually from the date of the Section 73 Permission in line with the Living Rent Index;

**"Grant Funding"**

means affordable homes programme grant, strategic investment fund grant and any other public subsidy paid to or secured by the Developer and to be applied towards Affordable Housing delivered as part of the Development (but excluding all such grants and subsidies paid to or secured by the Developer in respect of the Affordable Housing Units (Phase 1 Development)) PROVIDED THAT where any other grant is received for shared Site-Wide Infrastructure then the relevant proportion of such grant attributable to the Residential Units shall also be included and PROVIDED FURTHER THAT any grant or other public subsidy repaid by the Developer under the terms of the relevant grant agreement shall be excluded;

**"Habitable Rooms"**

means a room within a Residential Unit capable of use for sleeping, living or dining and a kitchen with an overall floor area of not less than 11 sq m (NIA) but excluding in all cases toilets, bathrooms, landings, halls and lobbies PROVIDED ALWAYS that any room in excess of 28 sq m (NIA) shall be calculated as follows (with the relevant area being rounded to the nearest square metre):

Area (sq m NIA)	No. of Habitable Rooms
0 – 28	1

29 – 42	2
43 – 56	3
57 – 70	4
71 – 84	5
85 – 98	6
99 – 112	7
113+	8

**"Higher Education Provider"**

means an educational institution that provides designated courses that have been approved by the Department for Education for higher education study and which allow the student to apply for government-financed student loans;

**"Household"**

means:

- (a) in respect of Intermediate Housing Units other than Key Worker Housing Units, in relation to a person "A", A and all other persons who would, after purchasing or renting an Intermediate Housing Unit, share that unit with A and one another as the residence of both A and such other persons; and
- (b) in respect of Key Worker Housing Units, each individual Key Worker who would be occupying the Key Worker Housing Unit shall be treated as a separate Household and all other Key Workers who would share that unit with the Key Worker shall be treated as a separate Household provided that such other person(s) is in each case an Eligible Person);

**"Household Income"**

means:

- (a) in respect of Intermediate Housing Units in relation to a single Eligible Person, the gross annual income of that Eligible Person's Household; and
- (b) in respect of Intermediate Housing Units in relation to joint Eligible Persons, the combined gross annual incomes of those Eligible Persons' Household;

in respect of Key Worker Housing Units, the gross annual income of each Eligible Person's Household;

**"Housing Delivery Plan"**

means a housing delivery plan to be submitted by the Developer as part of every application for an RMA which involves the delivery of Residential Units and which confirms:

- (a) the number of Residential Units to be provided as part of the relevant RMA;
- (b) the number of Affordable Housing Units to be provided as part of the relevant RMA;
- (c) the dwelling mix of the Affordable Housing Units to be provided as part of the relevant RMA;
- (d) the tenure mix of the Affordable Housing Units to be provided as part of the relevant RMA;
- (e) the type of Intermediate Housing to be provided as part of the relevant RMA;
- (f) an indicative programme for the delivery of the Affordable Housing as part of the relevant RMA;
- (g) where known at the time of submission, details of the proposed Registered Provider;
- (h) the percentage of the total Habitable Rooms in those parts of the Development which have been granted RMA to date (including the Habitable Rooms to be provided as part of the relevant RMA) that will be provided as Affordable Housing;
- (i) in the event an RMA contains less than the percentage of the Habitable Rooms required by paragraph 1.1 or paragraph 1.2 of Part 2 of this Schedule 11 (as the case may be) to be provided as Affordable Housing in the relevant Tranche (if any), the locations within that Tranche that could deliver the remaining Affordable Housing to ensure the required percentage is achieved in relation to that Tranche as a whole; and

- (j) indicatively how the Developer will provide and is on course to provide the Minimum Residential Requirement;
- "Housing Mix"** means the housing mix described in Annex 15 of this Agreement;
- "Intention Notice"** means a notice in writing served on the Chargee by the Council under paragraph 14.3 of Part 2 of this Schedule 11 that the Council is minded to purchase the relevant Affordable Housing Units;
- "Intermediate Affordability"** means that annual housing costs, including rent, mortgage payments (assuming reasonable interest rates and deposit requirements) and Service Charges, shall not exceed 40% (forty per cent) of net household income and net household income is defined as 70% (seventy per cent) of gross Household Income as applied to the GLA Income Cap per annum;
- "Intermediate Housing"** means Affordable Housing to buy or rent to be made available to Eligible Persons which shall consist of:
- (a) Discounted Market Rent Housing;
  - (b) Discounted Market Sale Housing;
  - (c) Key Worker Housing;
  - (d) London Living Rent Housing; or
  - (e) Shared Ownership Housing;
- and such other types of housing approved by the Council;
- "Intermediate Housing Units"** means those Residential Units provided as Intermediate Housing;
- "Intermediate Rent Housing List"** means a list maintained by the Council of those persons interested in renting an Intermediate Housing Unit for rent;
- "IRR"** means the ungeared internal rate of return for the relevant part of the Development (expressed as a percentage) based on the GDV and GDC (or the Early Review GDV and the Early Review GDC or the Final Review GDV or Final Review GDC, as the case may be) and for the avoidance of doubt the calculation of such ungeared internal rate of return will also include apportioned Site Wide Infrastructure

and Fixed Benchmark Land value apportioned as set out in the definitions of GDC, Early Review GDC and Final Review GDC;

**"IRR Target"**

means the amount of profit in pounds which represents an IRR of 15% (fifteen per cent) for the Residential Units to be constructed within the relevant Tranche;

**"Key Worker"**

means persons in any of the following occupations:

- (a) nurses, doctors, paramedics, ambulance workers and other clinical staff employed by the NHS (at hospitals, health centres or in the community);
- (b) firefighters;
- (c) teachers and teaching assistants (from non-fee charging schools); university teaching and research staff;
- (d) social workers, educational psychologists and therapists delivering services for the Council, employed within the Borough or by the NHS;
- (e) police officers and police community support officers; and
- (f) such other persons as may be approved by the Council;

**"Key Worker Employer"**

means a public, voluntary, or private sector organisation which employs Key Workers;

**"Key Worker Housing"**

means Affordable Housing:

- (a) provided to Eligible Persons;
- (b) pursuant to a lease that does not impose any up-front fees of any kind (other than a deposit and rent in advance), provides for a term of at least three years, contains a break clause which allows the tenant to end their tenancy with two months' notice at any time after the first six months and prevents the unit from being sub-let;
- (c) which meets the requirements for Intermediate Affordability; and

- (d) which is subject to a Lettings Agreement with one or more Key Worker Employers;

<b>"Key Worker Housing Units"</b>	means those Residential Units provided as Key Worker Housing;
<b>"Lettings Agreement"</b>	means an agreement entered into or to be entered into between the Registered Provider and a Key Worker Employer which provides the Key Worker Employer with nomination rights in respect of the relevant Key Worker Housing Units;
<b>"Living Rent Index"</b>	<p>means an index derived in accordance with the methodology used by the GLA as at the date of the Section 73 Permission to update living rents, being the product of the following items:</p> <p>(a) the annual change in the Households Below Average Income Median Income for London (three year rolling average data) most recently published by the Department for Work and Pensions at the date of calculation; and</p> <p>(b) the ratio of the Annual Survey of Hours and Earnings Median Income (three year rolling average data) for Southwark to that of London in each case most recently published by the Office for National Statistics at the date of calculation;</p> <p>PROVIDED THAT if either item is no longer available then such alternative shall be substituted as may be agreed by the Council and the Developer or in the absence of agreement determined by a Specialist pursuant to clause 21;</p>
<b>"Local Market Rent"</b>	means the estimated amount for which the relevant property interest could be leased or let at the date of valuation based on appropriate detailed comparable local market evidence and assuming a willing landlord and a willing lessee or tenant on an appropriate lease or tenancy terms after proper marketing wherein those parties have acted knowledgeably, prudently and without compulsion to be assessed in accordance with a property's size, location and individual characteristics and the RICS approved valuation methods or intended or established valuation custom and practice;
<b>"Local Market Value"</b>	means the price at which the sale of the relevant property interest would have been completed unconditionally for cash consideration

on the date of valuation based on appropriate detailed comparable local market evidence and assuming:

- (a) a willing seller and a willing buyer;
- (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;

**"London Living Rent Housing"**

means Affordable Housing for rent provided by a Registered Provider that is required to be offered to Eligible Persons on a time-limited tenancy:

- (a) at rents including Service Charges not exceeding:
  - (i) for the first letting, the relevant benchmark London Living Rent levels published by the GLA as at the date of the letting; and
  - (ii) for each subsequent letting, the relevant benchmark London Living Rent levels published by the GLA as at the date of the first letting increased in line with the Living Rent Index calculated from the date of the first letting (or such higher London Living Rent level as may be published by the GLA as at the date of the subsequent letting increased in line with the Living Rent Index calculated from the date of publication to the date of the subsequent letting); and
- (b) under which rent increases (in percentage terms) within the term of the tenancy in question will not be more than the percentage increase in the CPI for the relevant period

PROVIDED THAT initial rents for subsequent lettings will be reset in accordance with sub-paragraph (a);

**"London Plan Annual Monitoring Report"** means the monitoring report published annually by the Mayor of London reviewing the progress being made in implementing the policies and addressing the objectives of the London Plan or any replacement GLA guidance or policy;

**"Market Housing Units"** means those Residential Units that are not provided as Affordable Housing;

**"Market Value"** means the price at which the sale of the relevant property interest (whether sold by conveyance of the land or corporate disposal) would have been completed unconditionally for cash consideration on the relevant appraisal date based on detailed comparable market evidence, including evidence of rental values for the Residential Units which have been let and evidence of the rental yield of the Residential Units (where applicable) and a valuation of the remaining Residential Units) and in the case of Affordable Housing a market value social housing valuation in accordance with the RICS Red Book, to be assessed by the Council and assuming:

- (a) a willing seller and a willing buyer;
- (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;

**"Minimum Residential Requirement"** means not less than 2,000 Residential Units (excluding for the purpose of this definition any Specialist Housing and any Student Accommodation) across the Development as a whole by the Completion of the final Development Phase;

<b>"Moratorium Period"</b>	means, in each instance where a Chargee has served a Default Notice under paragraph 14.2.1 of Part 2 of this Schedule 11, the period from (and including) the Date of Deemed Service on the Council of the Default Notice to (and including) the date falling three months after such Date of Deemed Service (or such longer period as may be agreed between the Chargee and the Council);
<b>"Nominations Agreement"</b>	means an agreement entered into or to be entered into between the Registered Provider and the Council substantially in the form of the draft agreement at Annex 28 of this Agreement and which provides the Council with nomination rights in respect of the Affordable Housing;
<b>"Option"</b>	means the option to be granted to the Council (and/or its nominated substitute Registered Provider) in accordance with paragraph 14.4 of Part 2 of this Schedule 11 for the purchase of the relevant Affordable Housing Units;
<b>"Percentage Profit"</b>	means the IRR (expressed as a percentage) for the Residential Units to be constructed within the relevant Tranche;
<b>"Registered Provider Marketing Protocol"</b>	means that the following steps have been taken in marketing any relevant Affordable Housing Units to Registered Providers: <ul style="list-style-type: none"> <li>(a) the relevant Affordable Housing Units have been marketed in accordance with the provisions of paragraph 2.4 of Part 1 of this Schedule 11 for a continuous period (subject to (d) below) of at least 12 months to: <ul style="list-style-type: none"> <li>(i) all Registered Providers that fall within limb (a) and (b) of the definition of "Registered Provider" in this Deed;</li> <li>(ii) the Council in accordance with limb (d) of the definition of Registered Provider; and</li> <li>(iii) any other Registered Providers that the Council may nominate within twenty-eight (28) Working Days] following notice of commencement of the</li> </ul> </li> </ul>

marketing of the relevant Affordable Housing Units by the Developer to the Council;

PROVIDED THAT the marketing period must not commence more than 18 months prior to the date upon which the RMA application for the relevant Affordable Housing Units is submitted to the Council;

- (b) the marketing exercise has provided:
  - (i) the minimum level of information reasonably required by a Registered Provider to make an informed offer for the relevant Affordable Housing Units which shall include plans, a schedule of accommodation, specification, handover dates and payment terms, together with land registry title, planning information and replies to standard enquiries typical for an informed best and final offer bid.
  - (ii) such other information as the Council may reasonably require following notice of commencement of the marketing of the relevant Affordable Housing Units and any information that a Registered Provider may reasonably request;
- (c) that the marketing exercise has involved interactions on at least a monthly basis with those bodies listed in limb (a) of this definition and, where there has been no engagement from the relevant body, evidence of contact with different contacts, until a decline to offer is received or until the end of the 12 month marketing period (whichever is the earlier);
- (d) where after six (6) months of marketing the relevant Affordable Housing Units it has been evidenced by the Developer to the Council's reasonable satisfaction that there is no offer from a Registered Provider equivalent to or greater than Market Value for the relevant Affordable Housing Units and otherwise on reasonable commercial terms, then:

- i) the Developer shall consider with the Council whether a change of tenure and/or unit mix and/or quantum in line with the equivalency test within the GLA "Accelerating Housing Delivery" Planning and Housing Practice Note December 2024 (as may be revised or updated from time to time) would secure an offer which is at Market Value from a Registered Provider for such Affordable Housing Units, and
  - ii) where the Council agrees in its absolute discretion that such a change would have a reasonable prospect of securing such an offer and the change in tenure is to a tenure which is acceptable to the Council then the marketing exercise shall continue for the remaining 6 months of the marketing period on the basis of that change in tenure (a "**Tenure Variation Request**") PROVIDED THAT the remaining six (6) months of the marketing period shall run from the date that the Tenure Variation Request is agreed by the Council;
- (e) where bids have been received that are reflective of Market Value for the relevant Affordable Housing Units and otherwise on reasonable commercial terms the Developer shall accept the offer (subject to contract) and thereafter the Developer shall use Reasonable Endeavours to actively progress contractual negotiations in good faith to secure an agreement to transfer or lease for at least 125 years of the relevant Affordable Housing Units for a period of 6 months from acceptance of the offer; and
- (f) if requested by the Council the Developer shall instruct and fund a valuer to provide an independent Red Book Valuation of the offer to confirm whether or not it reflects Market Value (as defined by the RICS guidance note 'Valuation of Affordable Housing 2nd Edition' and the forthcoming RICS Practice Statement 'Affordable housing development - valuation considerations (1st Edition)) and is otherwise on reasonable commercial terms and such valuer shall state in

their terms of instruction that they are providing a duty of care to both the Developer and the Council;

- (g) at the end of the 12 month marketing period if no bids have been received that are reflective of Market Value for the relevant Affordable Housing Units and:
  - (i) a marketing pack has been provided to the Council that details and provides the correspondence, offers received, reasons for offers, reasons for no bids and frequency of contact; or
  - (ii) marketing has been evidenced through platforms such as the Homes England Clearing Service or The Affordable Housing Network

the provisions of paragraph 2.4 and 2.5 of Part 1 of this Schedule 11 shall apply.

**"Residential Unit"**

means for the purposes of this Schedule 11 and Schedule 14:

- (a) any separate unit of residential accommodation which is within Use Class C3 of the Town and Country Planning (Use Classes) Order 1987 (as amended) to be constructed on the Site pursuant to the Planning Permission together with any associated car parking space or spaces;
- (b) any separate unit of Specialist Housing to be constructed on the Site pursuant to the Planning Permission together with any associated car parking space or spaces;
- (c) any Student Accommodation to be constructed on the Site pursuant to the Planning Permission together with any associated car parking space or spaces on the basis that each 2.5 Student Bedspaces shall be deemed to be equivalent to one Residential Unit for the purpose of this definition; and
- (d) any Co-Living Accommodation to be constructed on the Site pursuant to the Planning Permission together with any associated car parking space or spaces on the basis that each

1.8 Co-Living Bedspaces shall be deemed to be equivalent to one Residential Unit for the purpose of this definition;

**"RICS Red Book"**

means the RICS Valuation – Global Standards ('Red Book') as issued or updated from time to time by the Royal Institution of Chartered Surveyors;

**"Sale"**

means:

- (a) the transfer of the freehold of a Residential Unit; or
- (b) the grant of a lease of a Residential Unit with a term of 125 years or more and subject to nominal rent;

and **"Sold"** shall be construed accordingly;

**"Service Charges"**

means all amounts payable by an owner or tenant of an Affordable Housing Unit as part of or in addition to the rent and directly or indirectly for services, repairs, maintenance, improvements, insurance and/or the landlord's costs of management in relation to that unit;

**"Shared Ownership Housing"**

means housing offered to Eligible Persons to be occupied partly for rent and partly by way of owner occupation on shared ownership arrangements as defined in section 70(4) of the Housing and Regeneration Act 2008 (or any amended or replacement provision) where the shared ownership lessee for the time being has the right to carry out Staircasing and dispose of the unit on the open market and which meets the requirements for Intermediate Affordability;

**"Shared Ownership Units"**

means those Residential Units provided as Shared Ownership Housing;

**"Site-Wide Infrastructure"**

means the site-wide infrastructure described in Annex 29 of this Agreement;

**"Social Rented Housing"**

means Affordable Housing owned and let by local authorities and Registered Providers for which guideline target rents are determined through the national rent regime (meaning the rent regime under which the social rents of tenants of social housing are set by the Regulator of Social Housing with particular reference to the Direction

on the Rent Standard February 2019 and the Rent Standard Guidance April 2015 (as updated from to time));

<b>"Social Rented Units"</b>	means the Residential Units provided as Social Rented Housing;
<b>"Specialist Housing"</b>	means a care home, nursing home, extra-care housing, sheltered housing, almshouses, co-housing and similar schemes designed specifically for older persons or those with particular needs in each case within Use Class C2 of the Town and Country Planning (Use Classes) Order 1987 (as amended);
<b>"Staircasing"</b>	means the purchase by the owner of additional equity in a Shared Ownership Unit;
<b>"Student Accommodation"</b>	means accommodation for students enrolled on a course provided by a Higher Education Provider;
<b>"Student Bedspace"</b>	means Student Accommodation sleeping accommodation intended to be used for a single person;
<b>"Substantial Commencement Date"</b>	means the actual date on which any one of the buildings to be constructed within Development Zone L has been constructed to at least first floor slab level;
<b>Substantial Commencement Target Date"</b>	means subject to paragraph 1 of Part 3 the date thirty-six (36) months after but excluding the date of the grant of the Section 73 Permission PROVIDED THAT such date shall be extended in the event that Gateway 2 Approval is not received by the Developer within twelve (12) weeks from receipt by the regulator of a valid application from the Developer for Gateway 2 Approval, such extension to be equal to the actual period in excess of twelve (12) weeks until the date such Gateway 2 Approval is granted to the Developer;
<b>"Sums Due"</b>	means all sums due to a Chargee of the Affordable Housing Units pursuant to the terms of its Charge including (without limitation) all interest and reasonable legal and administrative fees, costs and expenses;
<b>"Surplus"</b>	means the amount of profit in pounds (if any) which represents the value of the Percentage Profit in excess of the IRR Target in the relevant Tranche Viability Appraisal;

<b>"Tranche"</b>	means each of Tranche 1, Tranche 2, Tranche 3 and Tranche 4;
<b>"Tranche 1"</b>	the first 1,000 Residential Units to be constructed at the Development (excluding the Residential Units within the Phase 1 Development);
<b>"Tranche 2"</b>	the next 1,000 Residential Units (or such other number as may be agreed by the Developer and the Council) to be constructed at the Development following the Practical Completion of Tranche 1;
<b>"Tranche 3"</b>	the next 1,000 Residential Units (or such other number as may be agreed by the Developer and the Council) to be constructed at the Development following the Practical Completion of Tranche 2;
<b>"Tranche 4"</b>	the remaining Residential Units to be constructed at the Development following the Practical Completion of Tranche 3;
<b>"Tranche Viability Appraisal"</b>	means a forward-looking open book appraisal of the GDC, GDV and financial viability of the next Tranche to be constructed at the Development at the time of such open book appraisal being undertaken and prepared on the same terms and using the same methodology as the Baseline Viability Appraisal (but updated to reflect evidence at the relevant time of GDC and GDV) to determine whether there is any Surplus in relation to the relevant Tranche; and
<b>"Valuer"</b>	means an RICS accredited independent person suitably qualified and acting as an expert not an arbitrator.

The Developer covenants with the Council as follows:

## **Part 1 Housing Mix**

### **1. Housing Mix**

- 1.1 The Residential Units comprised within each Development Plot or if agreed by the Council across a Development Phase (other than the Phase 1 Development) shall be provided in accordance with the Housing Mix.

**Part 2**  
**Affordable Housing**

**1. Affordable Housing Percentage**

1.1 Subject to paragraphs 2.3 and 2.5:

1.1.1 not less than 20% (twenty per cent) of the total Habitable Rooms within Tranche 1 shall be provided as Affordable Housing (including any Discounted Market Sale Housing which may have been disposed of pursuant to paragraph 12.5); and

1.1.2 in addition the Developer shall provide the Affordable Housing Units (Phase 1 Development) Shortfall within Tranche 1 or where paragraph 2.7 of Part 2 of this Schedule 11 applies (or the Council otherwise agrees in its absolute discretion) as a Commuted Sum in accordance with paragraph 2.7.

1.2 Subject to paragraph 2.4, the percentage of Habitable Rooms to be provided as Affordable Housing in each of Tranche 2, Tranche 3 and Tranche 4 (if any) shall be determined in accordance with Part 4 of this Schedule 11.

1.3 Individual Development Plots and Development Phases (as the case may be) in each of Tranche 1, Tranche 2, Tranche 3 and Tranche 4 may deliver more or less than the proportion of Habitable Rooms required to be delivered as Affordable Housing across the relevant Tranche as a whole.

1.4 To provide the Minimum Residential Requirement.

1.5 Where in the reasonable opinion of the Council a Housing Delivery Plan does not satisfactorily demonstrate that the Development will provide the Minimum Residential Requirement, the Developer shall if requested by the Council provide further evidence to satisfy the Council (acting reasonably) that the Development will provide the Minimum Residential Requirement.

1.6 Where the Council has requested the provision of further evidence that the Development will provide the Minimum Residential Requirement, the Developer shall not Implement any further Development Plot which at the date of the request in the reasonable opinion of the Council may preclude the provision of the Minimum Residential Requirement until such further evidence has been provided to the Council's reasonable satisfaction.

**2. Affordable Housing Tenure Mix**

2.1 Of the twenty per cent (20%) Habitable Rooms within the Residential Units within Tranche 1 to be provided as Affordable Housing Units pursuant to paragraph 1.1.1, unless otherwise agreed by the Council and subject to paragraphs 2.3 and 2.5, the twenty per cent (20%) shall comprise:

2.1.1 a minimum of fourteen per cent (14%) Social Rented Housing (by Habitable Rooms); and

- 2.1.2 a minimum of six per cent (6%) Intermediate Housing (by Habitable Rooms) including any Discounted Market Sale Housing which may have been disposed of pursuant to paragraph 12.5.
- 2.2 Unless otherwise agreed by the Council and subject to paragraphs 2.3 and 2.4, no more than four per cent (4%) of the Habitable Rooms within the Residential Units within Tranche 1 shall comprise Discounted Market Sale Housing (including any Discounted Market Sale Housing which may have been disposed of pursuant to paragraph 12.5).
- 2.3 The Developer may elect that the Habitable Rooms to be provided as Affordable Housing Units within the Residential Units within Tranche 1 pursuant to:
- 2.3.1 paragraph 1.1.1 shall instead of the tenure mix set out at paragraph 2.1.1 and 2.1.2 comprise seventeen per cent (17%) of the total Habitable Rooms within Tranche 1 entirely as Social Rented Housing with no Intermediate Housing; and
- 2.3.2 paragraph 1.1.2 shall instead of the 8 Intermediate Housing Units (twenty-eight (28) Habitable Rooms) comprised in the Affordable Housing Units (Phase 1 Development) Shortfall instead comprise four (4) Social Rented Units (fourteen (14) Habitable Rooms) with no Intermediate Housing

each of these being agreed by the Parties to reflect a position of financial equivalency (the "Equivalency Election") PROVIDED THAT in the event the Developer subsequently requests to pay a Commuted Sum under paragraph 2.4 (and the Council approves such request) then notwithstanding the other requirements of that paragraph the Commuted Sum shall be calculated on both the position before the Equivalency Election and the position after it and the Developer shall pay whichever is the higher amount as the Commuted Sum.

- 2.4 In relation to any relevant Tranche which involves the delivery of Affordable Housing Units and subject to the Developer having first complied in full with the Registered Provider Marketing Protocol (which for the avoidance of doubt may commence prior to the submission of an application for Reserved Matters Approval) the Developer may request the Council's approval to a Commuted Sum being paid in lieu of providing some or all of the Affordable Housing Units within that Tranche and such request must be made in writing and accompanied by evidence to demonstrate how the Registered Provider Marketing Protocol has been complied with.
- 2.5 Following receipt of a request under paragraph 2.4 the Council shall either:

- 2.5.1 approve the request and confirm the amount of the Commuted Sum; or
  - 2.5.2 refuse the request and identify those parts of the Registered Provider Marketing Protocol that it considers have not been satisfied.
- 2.6 If the Council's response is given pursuant to 2.5.2 the Developer shall either
- 2.6.1 undertake those parts of the Registered Provider Marketing Protocol that the Council have identified as not having been satisfied and following completion of the same the Developer may re-apply for approval to pay a Commuted Sum under paragraph 2.4; or
  - 2.6.2 if the Developer disagrees with the Council's decision it shall enter into discussions with the Council and the Developer and the Council shall use their reasonable endeavours to come to an agreed position but if after a period of 10 Working Days it has not been possible to come to an agreed position either may refer the matter for the determination of a Specialist under clause 21.
- 2.7 Where (whether by approval by the Council pursuant to paragraph 2.5.1 or by determination by a Specialist in accordance with paragraph 2.6.2) the Developer has complied in full with the Registered Provider Marketing Protocol and has not received any offers for the relevant Affordable Housing Units which are equivalent to or greater than market value of the relevant Affordable Housing Units then the Developer shall pay the amount of the Commuted Sum as specified within 10 Working Days of the Council's response or the determination of the Specialist (as the case may be).
- 2.8 If pursuant to the Registered Provider Marketing Protocol and following approval by the Council of a Tenure Variation Request offers are received by the Developer within the marketing period which are equivalent to or greater than market value of the relevant Affordable Housing Units (as varied pursuant to the Tenure Variation Request) and otherwise on reasonable commercial terms then the Developer and the Council shall enter into a deed of variation to amend the Principal Agreement to formally document the Tenure Variation Request and the delivery of the relevant Affordable Housing Units within the relevant Tranche in accordance with the same.

### **3. Housing Delivery Plan**

- 3.1 Not to Implement any RMA that includes the provision of Residential Units unless a Housing Delivery Plan has been submitted with the relevant application for an RMA and the Housing Delivery Plan has been approved by the Council.
- 3.2 To comply with each Housing Delivery Plan approved by the Council pursuant to paragraph 3.1.

#### **4. Construction**

- 4.1 The Developer shall construct or procure the construction of the Affordable Housing Units in accordance with the Council's Residential Design Standards Supplementary Planning Document 2011 (as amended by the technical update in 2015) save where otherwise agreed by the Council in the Planning Permission or in the relevant RMA.

#### **5. Occupation Restriction on Market Housing Units**

- 5.1 Not to Occupy more than 50% (fifty per cent) of the Market Housing Units comprised within the Phase 1 Development unless and until all of the Affordable Housing Units (Phase 1 Development) have been Delivered as Affordable Housing.
- 5.2 Not to Occupy more than 75% (seventy five per cent) of the Market Housing Units comprised within each Tranche unless and until all of the Affordable Housing Units to be provided in that Tranche (if any) have been Delivered as Affordable Housing (including any Affordable Housing to be provided within that Tranche pursuant to an approved Affordable Housing Scheme).

#### **6. Social Rented Units**

- 6.1 Save where the Registered Provider is the Council:
- 6.1.1 not to Occupy any Social Rented Units until a Nominations Agreement has been entered into between the Registered Provider and the Council in respect of those Social Rented Units;
  - 6.1.2 to comply with the terms of the relevant Nominations Agreement in respect of the letting of the Social Rented Units to which it relates;
  - 6.1.3 to ensure that Service Charges payable by tenants of Social Rented Units shall be limited to the costs of services provided (or to be provided) and such tenants shall not be charged for any services not directly related to the Social Rented Units;
  - 6.1.4 to use Reasonable Endeavours to minimise the cost of Service Charges payable by tenants of Social Rented Units; and
  - 6.1.5 to notify the Council of the Service Charges payable by tenants of Social Rented Units within eight weeks of such service charges being set or altered.

#### **7. Intermediate Housing for Rent**

- 7.1 To provide the Council with not less than one month's prior notice of an Intermediate Housing Unit for rent (other than a Key Worker Housing Unit) being ready for Occupation in order to facilitate the nominations protocol referred to in paragraphs 7.2 to 7.4.

- 7.2 Subject to paragraphs 7.3 and 7.4, the Intermediate Housing Units for rent (other than the Key Worker Housing Units) shall be provided to Eligible Persons within the Borough who have been referred by the Council to the Developer for approval from the Intermediate Rent Housing List.
- 7.3 The Developer shall have discretion (acting reasonably) as to whether or not to approve an Eligible Person who is not economically active, has a track record of antisocial behaviour or failure to pay rent, is in receipt of housing benefits payments or is not in receipt of satisfactory references.
- 7.4 In the event that within twenty (20) Working Days following receipt of the notification referred to in paragraph 7.1, the Council has not referred any Eligible Persons to the Developer for approval from the Intermediate Rent Housing List or the Developer has not approved any Eligible Person referred by the Council (but only where the Developer's reasons for not approving any Eligible Persons are in accordance with paragraph 7.3 and the Developer has notified the Council of those reasons) or there is no Intermediate Rent Housing List, the Intermediate Housing Unit for rent shall be let to an Eligible Person in accordance with the following order of priority:
- 7.4.1 to Borough residents or persons who work in the Borough;
- 7.4.2 if within ten (10) Working Days following receipt of the notification referred to in paragraph 7.1, there are no eligible occupiers under paragraph 7.4.1, to those whose reside or work in South-East or South-West London Housing Partnership sub-regions; or
- 7.4.3 if within twenty (20) Working Days following receipt of the notification referred to in paragraph 7.1, there are no eligible occupiers under paragraphs 7.4.1 or 7.4.2, to London-wide residents or workers.

## **8. Key Worker Housing**

- 8.1 To provide the Key Worker Employer with not less than one (1) month's prior notice of a Key Worker Housing Unit being ready for Occupation in order to facilitate the nominations protocol referred to in paragraphs 8.2 to 8.3.
- 8.2 Subject to paragraphs 8.3 and 8.4, Key Worker Housing Units shall be provided to Eligible Persons within the Borough who have been referred by a Key Worker Employer to the Developer for approval.
- 8.3 The Developer shall have discretion (acting reasonably) as to whether or not to approve an Eligible Person who is not economically active, has a track record of antisocial behaviour or failure to pay rent, is in receipt of housing benefits payments or is not in receipt of satisfactory references.
- 8.4 In the event that within twenty (20) Working Days following receipt of the notification referred to in paragraph 8.1, the Key Worker Employer has not referred any Eligible Persons to the Developer for approval or the Developer has not approved any Eligible Person referred by the Key Worker Employer (but only where the Developer's reason for not approving any Eligible Persons are in accordance with

paragraph 8.3 and the Developer has notified the Council of those reasons), the Key Worker Housing Unit shall be let to an Eligible Person(s) in accordance with the following order of priority:

8.4.1 to Eligible Persons for Discounted Market Rent and London Living Rent housing; then

8.4.2 to Borough residents or persons who work in the Borough; then

8.4.3 if within ten (10) Working Days following receipt of the notification referred to in paragraph 8.1, there are no eligible occupiers under paragraphs 8.4.1 or 8.4.2, to those who reside or work in South-East or South-West London Housing Partnership sub-regions; then

8.4.4 if within twenty (20) Working Days following receipt of the notification referred to in paragraph 8.1, there are no eligible occupiers under paragraphs 8.4.1, 8.4.2 or 8.4.3, to London-wide residents or workers.

## **9. Intermediate Housing for Sale**

9.1 Subject to paragraph 9.3, to market any Intermediate Housing Unit for sale (such marketing to include either a show flat or a marketing suite) for a period of not less than five months immediately prior to the anticipated date of Practical Completion of the relevant Intermediate Housing Unit in accordance with paragraph 9.2 unless otherwise agreed by the Council.

9.2 Subject to paragraph 9.3, to promote any Intermediate Housing Unit for sale:

9.2.1 continuously during the marketing period referred to in paragraph 9.1 in the following places:

(A) a specialist website and social media account dedicated to the Development;

(B) [www.shareto-buy.com](http://www.shareto-buy.com);

(C) [www.thelittlehousecompany.co.uk](http://www.thelittlehousecompany.co.uk); and

9.2.2 at least four times during the marketing period referred to in paragraph 9.1 in the following places:

(A) in two local Borough newspapers; and

(B) in such other place as the Council may reasonably request.

9.3 This paragraph 9 shall not apply to the re-sale of Discounted Market Sale Units in accordance with paragraph 12.5.

**10. Restriction on Occupation of Social Rented Housing**

10.1 Subject to the provisions of paragraphs 14.1.1, 14.1.3 and 14.1.4, not to Occupy the Social Rented Units other than as Social Rented Housing.

**11. Restriction on Occupation of Intermediate Housing**

11.1 Subject to the provisions of paragraphs 11.2, 12.5 and 14.1, not to Occupy the Intermediate Housing Units other than as Intermediate Housing (and unless otherwise agreed by the Council in accordance with the tenure approved by the Council as part of the relevant Housing Delivery Plan).

11.2 In the event that within nine months following the commencement of marketing of any Intermediate Housing Unit for first sale or rent, the owner has not exchanged contracts with a purchaser or tenant who meets the relevant eligibility criteria specified in this Schedule 11, then the Developer may propose amendments to such eligibility criteria to the Council and may sell or let the relevant Intermediate Housing Unit to a purchaser or tenant who meets such amended eligibility criteria as may be approved by the Council in its absolute discretion.

**12. Discounted Market Sale Housing**

First Sale

12.1 The Developer covenants with the Council that the Local Market Value of the Discounted Market Sale Unit shall be determined as follows:

12.1.1 the Developer will commission a Valuer to provide a full written assessment of the Local Market Value of the Discounted Market Sale Unit (as at the anticipated date that such units will be available for first Occupation) prepared in line with the RICS Red Book and the conclusions in the assessment will be clearly supported by comparable evidence; and

12.1.2 an assessment produced by the Valuer shall be submitted to the Council for its approval and, if approved by the Council, this figure shall be deemed to be the Local Market Value.

12.2 In the event that the Council does not approve the figure provided in accordance with paragraph 12.1, the Council may commission another Valuer to provide a full written assessment of the Local Market Value of the Discounted Market Sale Unit (as at the anticipated date that such units will be available for first Occupation) prepared in line with the RICS Red Book and the Developer shall pay the costs of the Valuer in respect of the operation of this paragraph 12.2.

12.3 If the two figures produced under paragraphs 12.1 and 12.2 are:

12.3.1 no more than 10% (ten per cent) apart, then the average of those two figures shall be deemed to be the Local Market Value; or

12.3.2 more than 10% (ten per cent) apart, then the Developer and the Council will (unless otherwise agreed) jointly commission a third Valuer to provide a written assessment of the Local Market Value of the Discounted Market Sale Units (as at the anticipated date that such units will be available for first Occupation) prepared in line with the RICS Red Book and the average of the three figures produced under paragraphs 12.1 and 12.2 and this subparagraph shall be deemed to be the Local Market Value of the Discounted Market Sale Units.

#### Re-sale

12.4 No Discounted Market Sale Unit shall be re-sold or permitted to be re-sold other than in accordance with the following procedure:

12.4.1 subject to paragraph 12.5, the owner shall not offer to sell or sell the relevant Discounted Market Sale Unit other than at a price that does not exceed 60% (sixty per cent) of the Local Market Value of that unit;

12.4.2 the owner shall notify the Council of its intention to sell the relevant Discounted Market Sale Unit;

12.4.3 subject to paragraphs 12.4.4 and 12.4.5, the relevant Discounted Market Sale Unit shall only be sold to Eligible Persons within the Borough who have been referred by the Council to the owner;

12.4.4 in the event that within ten (10) Working Days following receipt of the notification referred to in paragraph 12.4.2, the Council has not referred any Eligible Persons to the owner, or in the event that within three months following receipt by the Council of the notification referred to in paragraph 12.4.2, the owner has not exchanged contracts with any Eligible Person referred by the Council, then the owner shall advertise the relevant Discounted Market Sale Unit on the GLA Homes for Londoners search tool (or such equivalent medium as may replace it from time to time); and

12.4.5 in the event that within three months following the relevant Discounted Market Sale Unit first being advertised on the GLA Homes for Londoners search tool (or such equivalent medium as may replace it from time to time), the owner has not exchanged contracts with a purchaser, then the owner may sell the relevant Discounted Market Sale Unit to anyone on the open market without restriction in accordance with paragraph 12.5.

12.5 Where the owner of a Discounted Market Sale Unit is entitled to sell the relevant Discounted Market Sale Unit in accordance with this paragraph 12.5, such sale shall be at a price that is not less than the Local Market Value of that unit (determined in line with the RICS Red Book) subject to the owner paying an amount equivalent to 40% (forty per cent) of the sale price to the Council upon completion

of the sale, such sum to be applied by the Council towards the provision of Affordable Housing in the Borough.

- 12.6 The owner of a Discounted Market Sale Unit shall not exchange contracts for the sale of the Discounted Market Sale Unit until the Council has provided the owner with a Certificate, such Certificate not to be unreasonably withheld or delayed and the Council agrees to provide the owner with such certificate or other evidence as may be required for the purpose of the registration of the disposition of the Discounted Market Sale Unit at HM Land Registry.
- 12.7 The Council shall be entitled to charge the seller of a Discounted Market Sale Unit a fee equal to its reasonable costs properly incurred in connection with the provision of the Certificate subject to a maximum amount equal to 0.5% (nought-point-five per cent) of the sale price for the Discounted Market Sale Unit.
- 12.8 In order that the future ownership and sale price of the Discounted Market Sale Units are controlled so as to ensure that such units remain as such in perpetuity (subject to paragraphs 12.4 and 12.5) the Developer shall procure the registration at HM Land Registry on the first disposal of each Discounted Market Sale Unit of the restriction set out below (or in such other form as the Chief Land Registrar shall deem appropriate) against the leasehold title to each Discounted Market Sale Unit and to provide the Council with a copy of the title:

*"No disposition of the registered estate other than a charge by the proprietor of the registered estate, or by the proprietor of a charge, not being a charge registered before the entry of this restriction shall be completed by way of registration without a certificate signed by the London Borough of Southwark, that the provisions of paragraphs 12.4 and 12.5 of Part 2 of Schedule 11 to the Section 106 Agreement dated 28 May 2020 between (1) the Mayor and Burgesses of the London Borough of Southwark, (2) BL CW Holdings Limited and (3) Transport for London (as modified) have been complied with."*

- 12.9 On each subsequent disposal of the freehold and leasehold interest in each Discounted Market Sale Unit (save for a disposal in accordance with paragraph 12.5) the new owner and/or lessee (as applicable) shall procure the registration at HM Land Registry of a restriction in the same form as referred to in paragraph 12.8 against the title to the Discounted Market Sale Unit in which they have acquired an interest and provide the Council with a copy of the title.
- 12.10 Following the disposal of a Discounted Market Sale Unit in accordance with paragraph 12.5, the new owner and/or lessee (as applicable) shall apply for the restriction referred to in paragraph 12.8 to be removed from the title and the Council shall consent to such application and removal upon request where the relevant provisions of this Schedule 11 have been complied with.

### **13. Discounted Market Rent Housing**

- 13.1 Discounted Market Rent Units shall be let at a rent that is not more than 70% (seventy per cent) of Local Market Rent and pursuant to a lease that does not impose any up-front fees of any kind (other than a deposit and rent in advance), provides for a term of at least three years, contains a break clause which allows the tenant to end their tenancy with two months' notice at any time after the first six months and prevents the unit from being sub-let.

### **14. General Provisions**

- 14.1 The provisions in this Schedule 11 shall not bind:

14.1.1 any person who has exercised a right to acquire pursuant to the Housing Act 1985 or the Housing Act 1996 or any other statutory provision for the time being in force in respect of a particular Social Rented Unit;

14.1.2 any person who has acquired 100% (one hundred per cent) of the equity in a Shared Ownership Unit pursuant to a Homes England model shared ownership lease or such other model form of lease that may replace it from time to time;

14.1.3 subject to compliance with paragraph 14.2:

(A) any Chargee of a Registered Provider unless the Chargee is a successor in title or has taken possession of the land to which the security relates;

(B) any receiver appointed under any security documentation to enable such a Chargee to realise its security or any administrator;

(C) any Chargee of a purchaser of a Discounted Market Sale Unit or of a person to whom a Registered Provider grants a Shared Ownership lease; nor

(D) any receiver appointed by such a Chargee; nor

14.1.4 the successors in title to or persons deriving title through or under the persons described in sub-paragraphs 14.1.1, 14.1.2 and 14.1.3 of this Schedule 11.

- 14.2 In order to benefit from the protection granted by paragraph 14.1.3, a Chargee must:

14.2.1 serve a Default Notice on the Council by delivery by hand to the Council's offices at 160 Tooley Street, London, SE1 2TZ between the hours of 9.00am and 5.30pm or using first class registered post to the Council's offices at 160 Tooley Street, London, SE1 2TZ in either case addressed to the Director of Planning prior to seeking to dispose of the relevant Affordable Housing Units;

- 14.2.2 when serving the Default Notice, provide to the Council official copies of the title registers for the relevant Affordable Housing Units; and
- 14.2.3 subject to paragraph 14.7, not exercise its power of sale over or otherwise dispose of the relevant Affordable Housing Units before the expiry of the Moratorium Period except in accordance with paragraph 14.4.
- 14.3 From the first day of the Moratorium Period to (but excluding) the date falling one calendar month later, the Council may serve an Intention Notice on the Chargee.
- 14.4 Not later than fifteen (15) Working Days after service of the Intention Notice (or such later date during the Moratorium Period as may be agreed in writing between the Council and the Chargee), the Chargee will grant the Council (and/or the Council's nominated substitute Registered Provider) an exclusive option to purchase the relevant Affordable Housing Units which shall contain the following terms:
  - 14.4.1 the sale and purchase will be governed by the Standard Commercial Property Conditions (Third Edition – 2018 Revision) (with any variations that may be agreed between the parties to the Option (acting reasonably));
  - 14.4.2 the price for the sale and purchase will be agreed in accordance with paragraph 14.5.2 or determined in accordance with paragraph 14.6;
  - 14.4.3 provided that the purchase price has been agreed in accordance with paragraph 14.5.2 or determined in accordance with paragraph 14.6, but subject to paragraph 14.4.4, the Council (or its nominated substitute Registered Provider) may (but is not obliged to) exercise the Option and complete the purchase of the relevant Affordable Housing Units at any time prior to the expiry of the Moratorium Period;
  - 14.4.4 the Option will expire upon the earlier of: (i) notification in writing by the Council (or its nominated substitute Registered Provider) that it no longer intends to exercise the Option; and (ii) the expiry of the Moratorium Period; and
  - 14.4.5 any other terms agreed between the parties to the Option (acting reasonably).
- 14.5 Following the service of the Intention Notice:
  - 14.5.1 the Chargee shall use reasonable endeavours to reply to enquiries raised by the Council (or its nominated substitute Registered Provider) in relation to the Affordable Housing Units as expeditiously as possible having regard to the length of the Moratorium Period; and
  - 14.5.2 the Council (or its nominated substitute Registered Provider) and the Chargee shall use reasonable endeavours to agree the purchase price for the relevant Affordable Housing Units, which shall be the higher of:

- (A) the price reasonably obtainable in the circumstances having regard to the restrictions as to the use of the relevant Affordable Housing Units contained in this Schedule 11; and
  - (B) (unless otherwise agreed in writing between the Council (or its nominated substitute Registered Provider) and the Chargee) the Sums Due.
- 14.6 On the date falling ten (10) Working Days after service of the Intention Notice, if the Council (or its nominated substitute Registered Provider) and the Chargee have not agreed the price pursuant to paragraph 14.5.2(A):
  - 14.6.1 the Council (or its nominated substitute Registered Provider) and the Chargee shall use reasonable endeavours to agree the identity of an independent surveyor having at least 10 years' experience in the valuation of affordable/social housing within the London area to determine the dispute and, if the identity is agreed, shall appoint such independent surveyor to determine the dispute;
  - 14.6.2 if, on the date falling fifteen (15) Working Days after service of the Intention Notice, the Council (or its nominated substitute Registered Provider) and the Chargee have not been able to agree the identity of an independent surveyor, either party may apply to the President for the time being of the Royal Institution of Chartered Surveyors or his deputy to appoint an independent surveyor having at least ten (10) years' experience in the valuation of affordable/social housing within the London area to determine the dispute;
  - 14.6.3 the independent surveyor shall determine the price reasonably obtainable referred to at paragraph 14.5.2(A), due regard being had to all the restrictions imposed upon the relevant Affordable Housing Units by this Agreement;
  - 14.6.4 the independent surveyor shall act as an expert and not as an arbitrator;
  - 14.6.5 the fees and expenses of the independent surveyor are to be borne equally by the parties;
  - 14.6.6 the independent surveyor shall make his/her decision and notify the Council, the Council's nominated substitute Registered Provider (if any) and the Chargee of that decision no later than ten (10) Working Days after his/her appointment and in any event within the Moratorium Period; and
  - 14.6.7 the independent surveyor's decision will be final and binding (save in the case of manifest error or fraud).
- 14.7 The Chargee may dispose of the relevant Affordable Housing Units free from the obligations and restrictions contained in this Schedule 11 and in any Nominations Agreement relating to those

Affordable Housing Units which shall determine absolutely in respect of those Affordable Housing Units (but subject to any existing tenancies) if:

- 14.7.1 the Council has not served an Intention Notice before the date falling one calendar month after the first day of the Moratorium Period;
  - 14.7.2 the Council (or its nominated substitute Registered Provider) has not exercised the Option and completed the purchase of the relevant Affordable Housing Units on or before the date on which the Moratorium Period expires; or
  - 14.7.3 the Council (or its nominated substitute Registered Provider) has notified the Chargee in writing pursuant to the Option that it no longer intends to exercise the Option.
- 14.8 The Council (and its nominated substitute Registered Provider, if any) and the Chargee shall act reasonably in fulfilling their respective obligations under paragraphs 14.2 to 14.7 (inclusive).

## **15. Build for Rent Units**

- 15.1 Build for Rent Units shall be managed in accordance with the following management principles unless otherwise agreed with the Council:
- 15.1.1 each Build for Rent Unit shall be self-contained and let separately for private residential use;
  - 15.1.2 the length of each initial lease of each Build for Rent Unit shall be for a minimum term of three years SAVE where the prospective tenant requests a shorter term;
  - 15.1.3 each lease of a Build for Rent Unit shall contain a break clause allowing the tenant to end the lease upon giving one month's notice at any time after the first six months of the lease;
  - 15.1.4 all rent increases within the term of a lease shall be calculated by reference to an index which shall be made clear to the tenant before the start of each tenancy PROVIDED THAT rent may be reset at the start of each new tenancy;
  - 15.1.5 any tenant or prospective tenant of a Build for Rent Unit shall not be required to pay up-front fees in relation to the tenancy other than deposits or rent in advance; and
  - 15.1.6 all Build for Rent Units within the same building shall be managed as a whole by a single property manager which:
    - (A) provides a consistent and quality level of management;
    - (B) has some daily staff presence at the Site (but not necessarily full time dedicated on-site staff);

- (C) is part of an accredited ombudsman scheme; and
- (D) has a complaints procedure.

## **16. Grant Funding**

- 16.1 From Commencement to Completion of the Development, the Developer will (where appropriate having regard to the need to achieve a mixed and balanced community at the Development) use Reasonable Endeavours on each such occasion to pursue and secure all Grant Funding that is potentially available and commercially viable for the Development and, if secured, apply the Grant Funding in accordance with the terms on which the Grant Funding has been given to the Developer PROVIDED THAT the Developer shall:
- 16.1.1 not be required to apply Grant Funding to any part of a Tranche in relation to which a reserved matters application has already been submitted; and
  - 16.1.2 not be required to deliver in excess of forty per cent (40%) of the Habitable Rooms in the Residential Units in the Development as Affordable Housing.
- 16.2 On each anniversary of Commencement until Practical Completion of the Development, the Developer shall report to the Council in writing on an annual basis regarding compliance with paragraph 16.1 above to the Council's reasonable satisfaction, and such reports shall include (but not be limited to) evidence of the Grant Funding that has been available in the market during that year and the steps taken by the Developer to pursue and secure such Grant Funding, including any enquiries, approaches and applications made, and correspondence and meetings held, in relation to such Grant Funding.

## **17. Marketing of Market Housing Units**

- 17.1 The Developer shall not market the Market Housing Units to prospective purchasers outside the United Kingdom at any time during which it is not marketing the same Market Housing Units locally.

## **18. Monitoring**

- 18.1 The Council shall report to the GLA through the GLA's London Development Database the number and tenure of the Affordable Housing Units by unit numbers and Habitable Rooms as soon as reasonably practicable and the Developer shall provide the Council with such information and evidence as it may reasonably require in order to comply with this paragraph 18.
- 18.2 The Council shall report to the GLA through the GLA's London Development Database the following information (to the extent applicable):
- 18.2.1 the number and tenure of any additional Affordable Housing Units by unit numbers and Habitable Rooms;

18.2.2 any changes in the tenure or affordability of the Affordable Housing Units by unit numbers and Habitable Rooms; and

18.2.3 the amount of any Commuted Sum to be paid to the Council pursuant to paragraphs 2.6 or 2.7 of Part 2 or paragraph 2.1.10 of Part 4 of this Schedule 11

as soon as reasonably practicable after the approval of an Additional Affordable Housing Scheme pursuant to paragraph 2.1.6 of Part 3 and the conclusion of a review pursuant to paragraph 2.1 of Part 4 and the Developer shall upon request provide the Council with such information and evidence as it may reasonably require in order to comply with its obligations in this paragraph 18.2.

18.3 To provide the Council with such information as it may reasonably require in order for it to be satisfied that the provisions in Part 1 and Part 2 of this Schedule 11 have been complied with.

18.4 To provide the Council with a detailed written response to the Affordable Housing Survey in respect of the Affordable Housing Units along with such evidence as the Council may reasonably require within twenty (20) Working Days of receipt of the survey.

18.5 The Developer shall not Occupy the Phase 1 Development until £11,527.50 (eleven thousand five hundred and twenty-seven pounds and fifty pence) Index Linked has been paid by the Developer to the Council as a monitoring fee in respect of the Affordable Housing contained within the Phase 1 Development.

18.6 The Developer shall not Occupy any Development Plot containing Affordable Housing until a monitoring fee in respect of the Affordable Housing contained within that Development Plot determined based on the number of such Affordable Housing Units multiplied by £132.50 (one hundred and thirty two pounds and fifty pence) Index Linked has been paid to the Council.

## **19. Treatment of Commuted Sums**

19.1 Any approved Commuted Sum paid by the Developer to the Council pursuant to this Schedule 11 shall be deemed to have satisfied the obligations pursuant to this Schedule 11 to deliver the relevant number of Habitable Rooms that the Commuted Sum is paid in lieu of and any calculations required pursuant to this Schedule 11 shall be carried out accordingly.

**Part 3**  
**Affordable Housing Early Review**

**1. Substantial Commencement**

- 1.1 The provisions of this Part 3 shall only apply where none of the buildings to be constructed within Development Zone L have been constructed to at least first floor slab level on the Substantial Commencement Target Date.
- 1.2 If a revised application for RMA for Development Zone L is submitted by the Developer prior to the Substantial Commencement Target Date the Council may (at its absolute discretion) extend the Substantial Commencement Target Date by a period commensurate with the period from the date of submission of that application for RMA to the date of determination thereof (or such longer period as may be agreed by the Council), in which case the Council shall confirm the revised Substantial Commencement Target Date to the Developer and all references in this Deed to the Substantial Commencement Target Date shall thereafter be read accordingly.
- 1.3 If the Developer anticipates that it will not achieve Substantial Commencement by the Substantial Commencement Target Date due to a delay in receipt of Gateway 2 Approval it may provide the Council with written notice of the same and the new Substantial Commencement Target Date.
- 1.4 A notice referred to in paragraph 1.2 served by the Developer on the Council shall provide:
- 1.4.1 details of the date on which the application for Gateway 2 Approval was made by the Developer and a valid application received by the regulator together with supporting evidence; and
  - 1.4.2 reasonable evidence that the Developer applied for Gateway 2 Approval in a timely manner and in any event not less than twenty four (24) months before the Substantial Commencement Target Date; and
  - 1.4.3 details of any requests made by the regulator for further information to support any application made by the Developer for Gateway 2 Approval and reasonable evidence that the Developer has responded expediently to and with such information as may have been reasonably requested by the regulator.

**2. Early Review**

- 2.1 Subject to paragraph 3, a review mechanism shall be operated as follows:
- 2.1.1 the Developer shall submit an Early Review Viability Appraisal for Tranche 1 to the Council within twenty (20) Working Days of the Substantial Commencement Date for agreement and in the event of disagreement to be determined in accordance with clause 21;

- 2.1.2 in the event that the Council reasonably requires any further information, documents or supporting evidence, the Developer shall provide any information, documents and supporting evidence reasonably required to the Council within 10 Working Days of receiving the relevant request and this process may be repeated until the Council has all the information it reasonably requests;
- 2.1.3 the Council may appoint External Consultants to assess any Early Review Viability Appraisal and such other information, documents and evidence as may have been provided;
- 2.1.4 the Developer will pay the Council's costs which are reasonably and properly incurred in assessing any Early Review Viability Appraisal and such other information, documents and evidence as may have been provided including those of any External Consultants appointed by the Council within twenty (20) Working Days of receipt of a written request for payment;
- 2.1.5 where the Early Review Percentage Profit identified in the agreed or otherwise determined Early Review Viability Appraisal is 15% (fifteen per cent) or less, the review shall cease and there shall be no requirement for the delivery of additional Affordable Housing in Tranche 1 pursuant to the review;
- 2.1.6 where the Early Review Percentage Profit identified in the agreed or otherwise determined Early Review Viability Appraisal is more than 15% (fifteen per cent), the Early Review Additional Profit shall be used by the Developer to increase the number of Habitable Rooms to be delivered as Affordable Housing in Tranche 1 (subject to the maximum specified in paragraph 3), which shall (unless otherwise agreed by the Council) be provided in the same tenure mix as set out in paragraph 2.1 of Part 2 of this Schedule 11 and otherwise in accordance with an Additional Affordable Housing Scheme submitted by the Developer and approved by the Council; and
- 2.1.7 the additional number of Habitable Rooms to be delivered as Affordable Housing in Tranche 1 is to be calculated by converting Market Housing Units to Affordable Housing Units in the Early Review Viability Appraisal until the Early Review Additional Profit reduces to zero and in the event of disagreement, the additional number of Habitable Rooms to be delivered as Affordable Housing shall be determined in accordance with clause 21.

### **3. Affordable Housing Cap**

The Developer shall not be required to deliver (whether through on-Site provision of Affordable Housing or through payment of any Commuted Sum or share of Surplus to the Council) in excess of forty per cent (40%) of the Habitable Rooms in the Development (including the Phase 1 Development) being provided as Affordable Housing.

## **Part 4**

### **Affordable Housing Delivery Reviews**

#### **1. Timing of Delivery Reviews**

1.1 Not later than each of:

1.1.1 the Practical Completion of Tranche 1;

1.1.2 the Practical Completion of Tranche 2; and

1.1.3 the Practical Completion of Tranche 3,

the provisions of this Part 4 shall apply PROVIDED THAT in the event that Tranche 2 is not Commenced within one (1) year following completion of the Tranche Viability Appraisal for Tranche 2 pursuant to paragraph 2.1 below then the Developer shall update the relevant Tranche Viability Appraisal and the process set out in paragraph 1.2 and paragraph 2 below shall be repeated, this will also be the case if Tranche 3 or Tranche 4 is not Commenced within one (1) year following completion of the Tranche Viability Appraisal applicable to that Tranche.

1.2 The Developer shall not Commence the Tranche to which the relevant Tranche Viability Appraisal relates unless and until the relevant Tranche Viability Appraisal has been approved in writing by the Council.

#### **2. Delivery Review**

2.1 A review mechanism shall be operated as follows:

2.1.1 the Developer shall submit a Tranche Viability Appraisal together with details of any available Grant Funding for the next relevant Tranche to the Council within twenty (20) Working Days of each event referred to in paragraph 1 for agreement and in the event of disagreement to be determined in accordance with clause 21;

2.1.2 in the event that the Council reasonably requires any further information, documents or supporting evidence, the Developer shall provide any information, documents and supporting evidence reasonably required to the Council within ten (10) Working Days of receiving the relevant request and this process may be repeated until the Council has all the information it reasonably requests;

2.1.3 the Council may appoint External Consultants to assess any Tranche Viability Appraisal and such other information, documents and evidence as may have been provided;

- 2.1.4 the Developer will pay the Council's costs which are reasonably and properly incurred in assessing any Tranche Viability Appraisal and such other information, documents and evidence as may have been provided including those of any External Consultants appointed by the Council within twenty (20) Working Days of receipt of a written request for payment;
- 2.1.5 where the Percentage Profit identified in the agreed or otherwise determined Tranche Viability Appraisal is 15% (fifteen per cent) or less, the review shall cease and there shall be no requirement for the delivery of any Affordable Housing within the relevant Tranche;
- 2.1.6 where the Percentage Profit identified in the agreed or otherwise determined Tranche Viability Appraisal is more than 15% (fifteen per cent) the percentage of Habitable Rooms within the Residential Units in the relevant Tranche to be provided as Affordable Housing shall be calculated in accordance with the following process:
- (A) the Developer's share of the Surplus (being 40% (forty per cent)) will be reflected by inserting an additional cost line into the Tranche Viability Appraisal showing the share of the Surplus the Developer will retain; and
  - (B) the Council's share of the Surplus (being 60% (sixty per cent)) will be reflected by inserting additional Habitable Rooms within the Residential Units in the relevant Tranche to be provided as Affordable Housing Units (or, where the Council elects (in its absolute discretion), a payment equivalent to the Council's share of the Surplus) into the Tranche Viability Appraisal until the Percentage Profit is reduced to an internal rate of return of (15%) (fifteen per cent) for the Residential Units to be constructed within the relevant Tranche;
- and in the event of disagreement, the percentage of Habitable Rooms within the Residential Units in the relevant Tranche to be provided as Affordable Housing shall be determined in accordance with clause 21;
- 2.1.7 where 60% (sixty per cent) of any Surplus is to be applied towards the delivery of additional Habitable Rooms as Affordable Housing within the relevant Tranche then the Developer shall (subject to paragraph 2.4 of Part 2 of this Schedule 11) provide the number of Habitable Rooms determined in accordance with paragraph 2.1.6(B) within the relevant Tranche as Affordable Housing;
- 2.1.8 any Habitable Rooms to be provided as Affordable Housing pursuant to paragraph 2.1.7 shall, unless otherwise agreed by the Council and subject to paragraph 2.1.9 and subject also to paragraph 2.4 of Part 2 of this Schedule 11, comprise:
- (A) 71.5% (seventy-one-point-five per cent) Social Rented Housing;

(B) 28.5% (twenty-eight-point-five per cent) Intermediate Housing (including any Discounted Market Sale Housing which may have been disposed of pursuant to paragraph 12.5 of Part 2 of this Schedule 11); and

(C) no more than 11.4% (eleven-point-four per cent) Discounted Market Sale Housing (including any Discounted Market Sale Housing which may have been disposed of pursuant to paragraph 12.5 of Part 2 of this Schedule 11),

and shall otherwise be provided in accordance with an Additional Affordable Housing Scheme approved by the Council PROVIDED THAT the Developer shall not be required to deliver in excess of 35% of the Habitable Rooms in the Residential Units in Tranche 2, Tranche 3 or Tranche 4 (respectively) as Affordable Housing;

2.1.9 the Developer may elect that the Habitable Rooms to be provided as Affordable Housing pursuant to paragraph 2.1.7 shall comprise 100% (one hundred per cent) Social Rented Housing with no Intermediate Housing to reflect a position of financial equivalency (the quantum of which shall be assessed and agreed by the Council (who may appoint a viability consultant to conduct such assessment with the reasonable and properly incurred costs of such assessment to be covered by the Developer)) to the tenure mix set out in paragraph 2.1.8; and

2.1.10 where the Council elects (in its absolute discretion) pursuant to paragraph 2.1.6(B) to receive a payment equivalent to the Council's share of any Surplus, then the relevant amount of such payment shall be paid to the Council within twenty (20) Working Days of the Council's election to be applied towards the delivery of Affordable Housing within the Borough and the Developer shall not Occupy more than 75% (seventy-five per cent) of the Market Housing Units comprised within the relevant Tranche unless and until that sum is paid to the Council.

## **Part 5**

### **Final Affordable Housing Delivery Review**

#### **1. Timing of Final Delivery Review**

1.1 Following Occupation of 85% (eighty five per cent) of the Residential Units across the Development or the expiry of a period of twenty four (24) years from the Implementation Date, whichever is the earlier, the provisions of this Part 5 shall apply.

#### **2. Delivery Review**

2.1 A review mechanism shall be operated as follows:

- 2.1.1 the Developer shall submit a Final Viability Appraisal within 20 Working Days of the event referred to in paragraph 1 for agreement and in the event of disagreement to be determined in accordance with clause 21;
- 2.1.2 in the event that the Council reasonably requires any further information, documents or supporting evidence, the Developer shall provide any information, documents and supporting evidence reasonably required to the Council within ten (10) Working Days of receiving the relevant request and this process may be repeated until the Council has all the information it reasonably requests;
- 2.1.3 the Council may appoint External Consultants to assess any Final Viability Appraisal and such other information, documents and evidence as may have been provided;
- 2.1.4 the Developer will pay the Council's costs which are reasonably and properly incurred in assessing any Final Viability Appraisal and such other information, documents and evidence as may have been provided including those of any External Consultants appointed by the Council within twenty (20) Working Days of receipt of a written request for payment;
- 2.1.5 where the Percentage Profit identified in the agreed or otherwise determined Final Viability Appraisal is 15% (fifteen per cent) or less, the review shall cease and there shall be no requirement for the payment of a Commuted Sum pursuant to the Final Viability Appraisal;
- 2.1.6 where the Percentage Profit identified in the agreed or otherwise determined Final Viability Appraisal is more than 15% (fifteen per cent) the sum payable to the Council pursuant to the Final Viability Appraisal shall be calculated in accordance with the following process:
- (A) the Developer's share of the Final Review Surplus (being 40% (forty per cent)) will be reflected by inserting an additional cost line into the Final Viability Appraisal showing the share of the Final Review Surplus the Developer will retain;  
and
  - (B) the Council's share of the Final Review Surplus (being 60% (sixty per cent)) will be reflected by a sum equivalent to the Council's share of the Final Review Surplus into the Final Viability Appraisal until the Percentage Profit is reduced to an internal rate of return of 15% (fifteen per cent) for the Residential Units constructed at the Development;
- and in the event of disagreement, the sum payable to the Council pursuant to the Final Viability Appraisal shall be determined in accordance with clause 21;

- 2.1.7 any sum payable pursuant to paragraph 2.1.6(B) shall be paid to the Council within 20 Working Days to be applied towards the delivery of Affordable Housing within the Borough PROVIDED THAT such payment to the Council shall be capped at an amount equivalent to the shortfall of provision below 40% (forty per cent) of the Habitable Rooms in the Residential Units as Affordable Housing; and
- 2.1.8 where a sum is payable pursuant to paragraph 2.1.6(B) the Developer shall not Occupy more than 90% (ninety per cent) of the Residential Units across the Development until the sum payable has been paid to the Council.

**SCHEDULE 3**

**REPLACEMENT SPECIALIST ACCOMMODATION OBLIGATIONS**

## SCHEDULE 12

### CO-LIVING ACCOMMODATION

#### Definitions

In this Schedule 12, the following words and phrases shall have the following meanings unless the context otherwise requires:

- "Co-Living Accommodation"** shall have the meaning defined in Schedule 11;
- "Co-Living Bedspace"** shall have the meaning defined in Schedule 11;
- "Co-Living Communal Amenity Areas"** means those communal shared areas and facilities (internal and external) within the Co-Living Accommodation identified in the Co-Living Management Plan; and
- "Co-Living Management Plan"** means a co-living management plan to be submitted by the Developer to the Council for approval which shall be a scheme for the management of the Co-Living Accommodation within a relevant building or block and which shall include details of the following:
- (a) the management agent(s) responsible for the letting of the Co-Living Bedspaces;
  - (b) the extent, location, facilities and day-to-day management of the Co-Living Communal Amenity Areas (including the details those areas to be made available to all occupiers of the Co-Living Accommodation at no additional cost and the detail of any areas excluded therefrom in relation to which booking charges or additional fees may apply);
  - (c) identification by reference to RMA plans of the Co-Living Communal Amenity Areas that are to be available for use by each Co-Living Bedspace;
  - (d) on-site management with a prompt issue resolution system;
  - (e) a complaints procedure for residents;
  - (f) membership of a designated professional body;

- (g) how all internal and external areas of the Co-Living Accommodation will be maintained including how they will be cleaned and linen changing services will operate;
- (h) the day to day operation of the Co-Living Accommodation to limit noise and disturbance during the day and night-time (including codes of behaviour / conduct and other protocols for managing breaches of acceptable behaviour);
- (i) the logistics and coordination of the move-in and move-out arrangements to minimise disruption to the public highway including:
  - (i) evidence of discussions had with other residential unit sites in the area to co-ordinate and reduce the cumulative impact on the transport network during the move-in and move-out periods; and
  - (ii) details of off-site alternative locations in the vicinity of the Site for parking, unloading and loading at move-in and move-out periods including commentary as to why they are to be used or not;
- (j) details of the location of and a strategy for marketing those Co-Living Bedspaces to be provided in accordance with paragraph 3 of Schedule 14 as wheelchair accessible to ensure that the leasing of such accommodation is prioritised to those in need of wheelchair accommodation which shall as a minimum include:
  - (i) questions about accessibility needs on enquiry and booking forms for Co-Living Accommodation;
  - (ii) recording enquiries from residents with accessibility needs made for Co-Living Accommodation and logging the outcome of each inquiry including whether a wheelchair accessible Co-Living Bedspace was available and/or offered;

- (iii) recording the occupation of the wheelchair accessible Co-Living Bedspaces;
- (iv) keeping a waiting list of residents with accessibility needs who have expressed an interest in the wheelchair accessible Co-Living Bedspaces strategy to advertise the availability of the Co-Living Bedspaces including advertising on a recognised internet lettings, listings or portal;
- (k) deliveries and servicing management;
- (l) security and surveillance measures;
- (m) fire safety procedures;
- (n) strategies for establishing and managing relationships and lines of communication with local residents and other potentially affected parties; and
- (o) any other management detail reasonably required by the Council which arises specifically from the details included and approved in the relevant RMA plans for the relevant Co-Living Accommodation

as may be amended from time to time with the Council's approval.

The Developer covenants with the Council as follows:

**1. Management**

- 1.1 Not to use the Co-Living Accommodation other than as Co-Living Accommodation (sui generis).
- 1.2 Not to Occupy any Co-Living Bedspaces within a relevant building or block until a Co-Living Management Plan has been submitted to the Council and the Council has approved the Co-Living Management Plan for the relevant building or block.
- 1.3 Not to first Occupy the Co-Living Accommodation within a relevant building or block until all of the Co-Living Communal Amenity Areas have been provided and made ready for use by occupiers of the Co-Living Bedspaces in accordance with the approved Co-Living Management Plan for that relevant building or block to the reasonable satisfaction of the Council and to retain and maintain the Co-Living Communal Amenity Areas within each relevant building or block for the duration that the Co-Living

Bedspaces within that relevant building or block remain occupied (unless otherwise agreed by the Council).

- 1.4 To review the effectiveness of the Co-Living Management Plan within twenty (20) Working Days following the first, third and fifth anniversaries of first Occupation of the Co-Living Accommodation and to submit a report to the Council setting out the Developer's conclusions of each review together with any proposed amendments to the Co-Living Management Plan (if necessary) to the Council for approval, having due and proper regard and using Reasonable Endeavours to incorporate any reasonable recommendations made by the Council during each review period.
- 1.5 To implement and comply with the Co-Living Management Plan for the duration that the Co-Living Accommodation or any part of it remains Occupied.
- 1.6 Each building or block that comprises Co-Living Accommodation must be operated by under single management regime (unless alternative management arrangements are otherwise agreed pursuant to the relevant Co-Living Management Plan for a relevant building or block) and the relevant Co-Living Accommodation shall not be Occupied unless this paragraph is being complied with.
- 1.7 To ensure that the Co-Living Accommodation within a relevant building or block is used at all times as a single planning unit and that no part of the Co-Living Accommodation within a relevant building or block is used so as to create a separate planning unit.

## **2. Co-Living Communal Amenity Areas**

- 2.1 Not to use the Co-Living Communal Amenity Areas other than for use by occupants of the Co-Living Bedspaces.
- 2.2 Not to Occupy the Co-Living Bedspaces within a relevant building or block (or part thereof) comprising Co-Living Accommodation until the Co-Living Communal Amenity Areas forming part of the Co-Living Accommodation have been provided in accordance with the relevant approved Co-Living Management Plan to the reasonable satisfaction of the Council and to retain and maintain such facilities and unless otherwise agreed by the Council to ensure that access to the Co-Living Communal Amenity Areas are included within the rent for the duration that the Co-Living Accommodation or any part of the Co-Living Accommodation remains Occupied.

**SCHEDULE 4**

**REPLACEMENT STUDENT ACCOMMODATION OBLIGATIONS**

## SCHEDULE 13

### STUDENT ACCOMMODATION

#### Definitions

In this Schedule 13, the following words and phrases shall have the following meanings unless the context otherwise requires:

<b>"Academic Year"</b>	means the period during which a Higher Education Provider holds classes and examinations from time to time such period being thirty nine (39) weeks in each calendar year at the date of this Deed;
<b>"Accredited UK Institution"</b>	means an educational institution which holds a valid UK accreditation;
<b>"Higher Education Provider"</b>	means an educational institution that provides a designated course approved by the Department for Education for higher education study or an Accredited UK Institution;
<b>"Residual Periods"</b>	means those periods falling outside of the Academic Year;
<b>"Student Accommodation"</b>	shall have the meaning defined in Schedule 11;
<b>"Student Bedspace"</b>	shall have the meaning defined in Schedule 11;
<b>"Student Communal Amenity Areas"</b>	means all communal shared areas and facilities (internal and external) within the Student Accommodation identified in the Student Management Plan to be made available to all occupiers of the Student Accommodation at no additional cost; and
<b>"Student Management Plan"</b>	means a student management plan to be submitted by the Developer to the Council for approval for Student Accommodation within a relevant building or block and which shall include details of:  (a) the day-to-day operation of the Student Accommodation to ensure noise and disturbance is minimised during the day and night (including codes of behaviour / conduct and other protocols for managing breaches of acceptable behaviour);  (b) the logistics and coordination of the "move-in and move-out" arrangements to minimise disruption to the public highway (and shall include specified management measures in respect of both the move-in and move-out period

including coordination of arrangements with other student residences in the area so as to avoid overload at peak times);

- (c) deliveries and servicing management;
- (d) security, fire-safety and surveillance measures;
- (e) how all internal and external areas will be managed and maintained (including access to laundry facilities)
- (f) strategies for establishing and managing relationships and lines of communication with local residents and other potentially affected parties;
- (g) marketing arrangements for the Wheelchair Accessible Student Accommodation units;
- (h) the extent, location, facilities and day-to-day management of the Student Communal Amenity Areas; and
- (i) any other management detail reasonably required by the Council which arises specifically from the details included and approved in the relevant RMA plans for the relevant Student Accommodation

as the same may be amended from time to time with the Council's approval.

The Developer covenants with the Council as follows:

**1. Management**

- 1.1 Not to use the Student Accommodation other than as Student Accommodation PROVIDED THAT the Student Accommodation may be used during Residual Periods in accordance with paragraph 2 below.
- 1.2 Not to first Occupy any Student Bedspaces within a relevant building or block until the Student Management Plan has been submitted to the Council and the Council has approved the Student Management Plan for the relevant building or block.
- 1.3 To implement and comply with the Student Management Plan for the duration that the Student Accommodation or any part of it remains Occupied.
- 1.4 To ensure that the Student Accommodation within a relevant building or block is used at all times as a single planning unit and that no part of the relevant Student Accommodation is used so as to create

a separate planning unit.

- 1.5 Not to Occupy the Student Accommodation until the Student Communal Amenity Areas for the relevant building or block have been provided and made ready for use by occupiers of the Student Accommodation in accordance with the approved Student Management Plan to the reasonable satisfaction of the Council and to retain and maintain such facilities within each relevant building or block for the duration that the Student Accommodation within that relevant building or block remains occupied.
- 1.6 To review the effectiveness of the Student Management Plan within twenty (20) Working Days following the first, third and fifth anniversaries of first Occupation of the Student Accommodation and to submit a report to the Council setting out the Developer's conclusions of each review together with any proposed amendments to the Student Management Plan (if necessary) to the Council for approval, having due and proper regard and using Reasonable Endeavours to incorporate any reasonable recommendations made by the Council during each review period.
- 1.7 Each building or block that comprises Student Accommodation must be operated by under single management regime (unless alternative management arrangements are otherwise agreed pursuant to the relevant Student Management Plan for a relevant building or block) and the relevant Student Accommodation shall not be Occupied unless this paragraph is being complied with.

## **2. Residual Periods**

- 2.1 During the Residual Periods, the Student Accommodation may be used:
  - 2.1.1 by any student enrolled on a recognised educational course in London;
  - 2.1.2 as temporary accommodation for uses related to the educational and/or conference operations (including but not limited to those of a Higher Education Provider including accommodation for temporary summer school students);
  - 2.1.3 as temporary accommodation for users related to a Higher Education Provider including alumni, academics, postgraduates or lecturers;
  - 2.1.4 by any delegates of a Higher Education Provider; or
  - 2.1.5 by such class of user as may be agreed by the Council,

PROVIDED THAT:

(A) the use and Occupation of the Student Accommodation during the Residual Periods does not result in a material change of use of the Student Accommodation or non-compliance with the provisions of paragraph 1 above; and

(B) the Council has approved the terms of any such use as part of the Student Management Plan.

3. **Student Communal Amenity Areas**

- 3.1 Not to use the Student Communal Amenity Areas other than for use by occupants of the Student Bedspaces (including occupants during Residual Periods).
- 3.2 Not to Occupy the Student Bedspaces within a relevant building or block (or part thereof) until the Student Communal Amenity Areas forming part of the relevant Student Accommodation have been provided in accordance with the relevant approved Student Management Plan to the reasonable satisfaction of the Council and to retain and maintain such facilities and unless otherwise agreed by the Council to ensure that access to the relevant Student Communal Amenity Areas is included within the rent for the duration that the Student Accommodation or any part of the relevant Student Accommodation remains Occupied (including during the Residual Periods).

**SCHEDULE 5**

**REPLACEMENT WHEELCHAIR HOUSING OBLIGATIONS**

## SCHEDULE 14

### WHEELCHAIR HOUSING

In this Schedule 14, the following words and phrases shall have the following meanings unless the context otherwise requires:

- "Affordable Housing"** shall have the meaning defined in Schedule 11;
- "Approved Document M"** means the document entitled 'Access to and use of buildings – approved document M – Volume 1: Dwellings' 2015 edition incorporating 2016 amendments published by HM Government and giving guidance for compliance with Part M of Schedule 1 to the Building Regulations 2010 for England;
- "Residential Unit"** shall have the meaning defined in Schedule 11;
- "Wheelchair Unit Marketing Period"** means a period of at least 18 months with no less than six of those months following Practical Completion of the relevant Development Plot; and
- "Wheelchair Units"** means:
- (a) in respect of the Phase 1 Development:
    - (i) 8 Social Rented Units (1 one bed and 7 two bed);  
and
    - (ii) 19 Market Housing Units (10 one bed, 6 two bed and 3 three bed),  
  
together being 10.2% (ten point two per cent) of the total Residential Units comprised in the Phase 1 Development;  
and
  - (b) in respect of a Development Plot which contains any Residential Units (except for the Development Plots within the Phase 1 Development), the wheelchair user dwellings to be provided pursuant to paragraph 1.2.

The Developer covenants with the Council as follows:

## **1. Wheelchair Housing**

- 1.1 To provide the Wheelchair Units in the Phase 1 Development in accordance with requirement M4(3) for wheelchair user dwellings as defined in Approved Document M and to design the remaining Residential Units in the Phase 1 Development in accordance with requirement M4(2) for accessible and adaptable dwellings as defined in Approved Document M save that in respect of the 51 Residential Units within Development Plot K1 which are to be provided in accordance with requirement M4(2) for accessible and adaptable dwellings as defined in Approved Document M, the requirements of M4(2) shall not be required to be complied with in respect of the balcony doors.
- 1.2 Unless otherwise agreed by the Council, to provide (and in the case of any Wheelchair Units that comprise rented Affordable Housing Units, retain for the lifetime of the relevant building) not less than 10% (ten per cent) of the Residential Units in each Development Plot (except for the Development Plots within the Phase 1 Development) in accordance with requirement M4(3) for wheelchair user dwellings as defined in Approved Document M and to design the remaining Residential Units in each Development Plot (except for the Development Plots within the Phase 1 Development) in accordance with requirement M4(2) for accessible and adaptable dwellings as defined in Approved Document M.
- 1.3 Any Wheelchair Units to be provided as Affordable Housing (excluding the Wheelchair Units to be provided as Affordable Housing within the Phase 1 Development) shall, in addition to the requirements specified in paragraphs 1.1 and 1.2, also be provided in accordance with the following requirements:
  - 1.3.1 installation of entry phones which allow access to the communal area and private front door where the private door is behind a communal door;
  - 1.3.2 hand wash basins that are mountable on adjustable height brackets;
  - 1.3.3 two lifts where Wheelchair Units are situated above the ground floor;
  - 1.3.4 corridor widths of at least 1,200mm;
  - 1.3.5 window handles within a 450mm to 1,200mm range;
  - 1.3.6 wall fitted shower seats with drop down legs, drop down arms and a back rest;
  - 1.3.7 installation of a side hinged oven;
  - 1.3.8 accessible storage including drop down shelving and pull out baskets, ensuring storage space, in combination with any shelving layout, provides optimum access to space and to stored items;
  - 1.3.9 clear open doorways at least 900mm wide;

- 1.3.10 living rooms, bathrooms and shower rooms, kitchens and dining rooms which exceed the minimum space standards in Building Regulations; and
- 1.3.11 600mm x 600mm wheelchair accessible work top for food preparation.
- 1.4 To market the Wheelchair Units in each Development Plot (except for any Wheelchair Units that are to be provided as Social Rented Units) for the duration of the Wheelchair Unit Marketing Period in accordance with paragraphs 1.5 and 1.6.
- 1.5 The marketing referred to in paragraph 1.4 shall be conducted to ensure that the Wheelchair Units (except for any Wheelchair Units that are to be provided as Social Rented Units) are marketed to as wide an audience as reasonably possible through websites, publications and liaison with appropriate agencies including but not necessarily limited to those identified in paragraph 1.6 and the marketing details shall include separate marketing material specifically aimed at wheelchair users and shall confirm the size of the rooms and specification and state that the unit shall be fully fitted.
- 1.6 The Wheelchair Units (except for any Wheelchair Units that are to be provided as Social Rented Units) shall be advertised in the following places (as appropriate):
  - 1.6.1 a specialist website dedicated to the regeneration of Canada Water paid for by the Developer but which may be provided either by the Developer or the Council;
  - 1.6.2 on the accessible property website ([www.accessible-property.org.uk](http://www.accessible-property.org.uk)) or equivalent national website on [www.housingoptions.co.uk](http://www.housingoptions.co.uk);
  - 1.6.3 on [www.sharetobuy.com](http://www.sharetobuy.com);
  - 1.6.4 on [www.thehouseshop.com](http://www.thehouseshop.com);
  - 1.6.5 on [www.habinteg.org.uk](http://www.habinteg.org.uk);
  - 1.6.6 on the Share to Buy website;
  - 1.6.7 on the GLA's Homes for Londoners search tool;
  - 1.6.8 in SAGA magazine or similar London periodical aimed at an older readership;
  - 1.6.9 in the "Fifty Plus" free newspaper published by Age UK;
  - 1.6.10 on [www.accessmagazine.co.uk](http://www.accessmagazine.co.uk);
  - 1.6.11 on any Site hoardings which include advertisements for Residential Units; and
  - 1.6.12 in such other places as may reasonably be requested by the Council.

- 1.7 Where a wheelchair user has exchanged contracts for the purchase of a Wheelchair Unit (except for any Wheelchair Unit that is to be provided as a Social Rented Unit) before the end of the Wheelchair Unit Marketing Period, the Developer shall make such reasonable adaptations in addition to the design and fit out requirements set out within this Schedule 14 to the Wheelchair Unit (where reasonableness will be judged taking into account whether or not the Wheelchair Unit has already been Practically Completed) as may be requested by the purchaser where it can be demonstrated that such adaptations are reasonably required to meet the specialist needs of the intended occupier of the Wheelchair Unit and any such adaptations made by the Developer shall not be charged to the intended occupier up to a maximum cost of £5,000 (five thousand pounds) Index Linked for each and every Wheelchair Unit for which a request for reasonable adaptations is received.
- 1.8 Not to Dispose of a Wheelchair Unit (except for any Wheelchair Unit that is to be provided as a Social Rented Unit) to someone not in need of wheelchair housing unless details of the marketing undertaken pursuant to paragraphs 1.4 to 1.6 (supported by such evidence as the Council may reasonably require, including but not necessarily limited to the date of first advertisement and web-posting of the Wheelchair Unit and evidence of continual marketing throughout the marketing period) have been provided to the Council and the Council has confirmed that it is satisfied that such marketing has been carried out in accordance with the requirements of paragraphs 1.4 to 1.6.

## **2. Wheelchair Accessible Student Accommodation**

- 2.1 Unless otherwise agreed by the Council, to provide and retain for the lifetime of the relevant building not less than 10% (ten per cent) of the Student Bedspaces in each Development Plot (including access to and use of the relevant building) containing Student Accommodation in accordance with the document entitled 'Access to and use of buildings - approved document M – Volume 2: Buildings other than dwellings' 2015 edition incorporating 2016 amendments published by HM Government and giving guidance for compliance with Part M of Schedule 1 to the Building Regulations 2010 for England.

## **3. Wheelchair Accessible Co-Living Accommodation**

- 3.1 Unless otherwise agreed by the Council, to provide and retain for the lifetime of the relevant building not less than 10% (ten per cent) of the Co-Living Bedspaces in each Development Plot (including access to and use of the relevant building) containing Co-Living Accommodation in accordance with the document entitled 'Access to and use of buildings - approved document M – Volume 2: Buildings other than dwellings' 2015 edition incorporating 2016 amendments published by HM Government and giving guidance for compliance with Part M of Schedule 1 to the Building Regulations 2010 for England.

**SCHEDULE 6**

**DRAFT SECTION 73 PERMISSION**

**ANNEX 1**

**REPLACEMENT ANNEX 8 (STRATEGIC HEALTH FACILITY AGREEMENT FOR LEASE AND  
LEASE HEADS OF TERMS)**

**Annex 8 Strategic Health Facility Agreement for Lease and Lease Heads of Terms**

<b>Background</b>	
<b>Background</b>	<p>These heads of terms are provided as an indication of the terms that the Council (or its nominee) and the Developer will require in respect of the Strategic Health Facility Agreement for Lease and the Strategic Health Facility Lease (the "Agreement for Lease" and the "Lease" in these heads of terms). The Agreement for Lease and Lease will, except where otherwise stated in this heads of terms, be on institutionally acceptable market standard terms and will reflect the nature and circumstances of the Premises, the Plot on which the Premises are located and the broader Canada Water Estate.</p>
<b>Agreement for Lease</b>	
<b>Tenant</b>	<p>The Council or its nominee. Where the Tenant is the Council's nominee a guarantee which is reasonably satisfactory to the Developer will be required.</p>
<b>Landlord</b>	<p>The parties acknowledge that the Developer may grant leases out of its interest in the Site. Where leasehold interests have been granted in respect of the relevant part of the Site on which the Premises will be located, then the Developer will procure that the relevant leasehold owner enters into the Agreement for Lease as Landlord.</p>
<b>Works Specification</b> /	<p>The Strategic Health Facility and the self-contained Market Housing Units within the Premises (a "Residential Unit") to be developed on the Premises are to be constructed pursuant to the Planning Permission or any variation to the Planning Permission unless otherwise agreed with the Developer (in their absolute discretion).</p> <p>The Tenant is to provide the Landlord with full plans and specifications for its proposed works to construct the Strategic Health Facility and the Residential Units on the Premises for the Developer/Landlord's approval (such approval not to be unreasonably withheld or delayed). The Tenant shall not commence works until the Developer/Landlord's approval has been obtained for such plans and specifications and, if the Tenant proposes to make any changes to the approved</p>

	<p>plans and specifications, then the Developer/Landlord's approval shall be required to such changes (such approval not to be unreasonably withheld or delayed).</p> <p>The Tenant shall be responsible for ensuring that all requisite consents have been obtained prior to commencement of the works. The Tenant shall not be entitled to commence works until the Lease has been granted.</p> <p>The Tenant shall be obliged to commence, carry out and complete the works at its own expense and in accordance with usual obligations, including obligations to carry out the works (i) in accordance with the approved drawings and specifications (ii) using reputable contractors (iii) in a good and workmanlike manner, using good quality materials and without using any prohibited materials (iv) in compliance with all requisite consents and all enactments. The Tenant shall be obliged to use reasonable endeavours carry out the works in accordance with an agreed programme.</p> <p>The Tenant shall keep the works insured through the construction period to their full reinstatement value and shall put in place all other insurances as shall be reasonably required. The Developer/Landlord shall be afforded the opportunity to attend inspections of the works and inspections for practical completion. The Tenant will procure that the Developer/Landlord is given a copy of the practical completion statement as soon as reasonably practicable after its issue.</p> <p>In carrying out its works, the Tenant will be required to liaise and co-operate with the Developer/Landlord to facilitate execution of all other works proximate to the Premises.</p> <p>If all of the Tenant's works are not completed by the date which is five years from the date of the Agreement for Lease and Lease (or such extended period for good reason(s) where agreed between the Landlord and the Tenant (both acting reasonably)), the Landlord will have an option to terminate the Agreement for Lease and the Lease (and the Tenant must surrender the same). In such circumstances, the Landlord will refund to the Tenant an amount equal to the Premium paid by the Tenant to the Landlord minus any and all costs to be incurred by the Landlord in order to finish the works (which costs may be based on a reasonable estimate by Landlord).</p>
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<b>Lease grant</b>	<p>The Lease will be entered into within 10 Working Days of the date on which each of the following are satisfied:</p> <ul style="list-style-type: none"> <li>(a) the Tenant enters into a binding construction contract to deliver the Strategic Health Facility; and</li> <li>(b) the Tenant providing confirmation that the funds to deliver the Strategic Health Facility pursuant to that building contract have been secured and irrevocably committed for that purpose by the Tenant;</li> <li>(c) the Tenant providing evidence of the same to the Landlord's reasonable satisfaction.</li> </ul>
<b>Lease</b>	
<b>Premises and rights</b>	<p>The premises known as Plot M at Canada Water in the London Borough of Southwark [and shown for identification purposes edged red on the plan attached to these heads] and including the buildings and structures now or at any time constructed on them (and all additions, alterations and improvements to them).</p> <p>The Premises shall be limited in height to a level set just above the level of the Strategic Health Facility and the Residential Units to be constructed on the Premises in accordance with the Planning Permission.</p> <p>The Tenant will be granted a right to use the estate roads and accessways. Usual rights will be reserved to the Landlord (including the ability to freely develop other parts of the Canada Water estate).</p>
<b>Term</b>	A period of 200 years from the term commencement date.
<b>Permitted Use</b>	<p>The Permitted Use for the Premises will be use of the Premises for:</p> <ul style="list-style-type: none"> <li>(a) the provision of primary healthcare services to serve the Development and the wider area (provided always that the Premises must not be used for a pharmacy or drop-in centre related to drug or alcohol abuse); and</li> </ul>

	<p>(b) the provision of Residential Units within Class C3 of the Schedule to the Town and Country Planning (Use Classes) Order 1987.</p> <p>The Tenant must only use the Premises for the Permitted Use and not for any other purpose unless otherwise approved by the landlord (such approval not to be unreasonably withheld). The Lease will contain usual provisions regarding use, including that the Tenant must not use the Premises in any way which causes a nuisance or for any noisy/illegal/immoral use or for any threatening, intimidating or anti-social behaviour. The Tenant must not use the Premises for the provision of holiday lets residential accommodation.</p> <p>For a period of 25 years from the commencement date any development on the Premises is to be constructed pursuant to the Planning Permission or any variation to the Planning Permission unless otherwise agreed with the Developer (in their absolute discretion).</p>
<b>Premium and Rent</b>	<p>The Tenant must pay a premium for the grant of the Lease, such premium to be calculated in accordance with the provisions of the s 106 agreement and to be payable to the Landlord on the grant of the Lease.</p> <p>The rent payable under the Lease will be a peppercorn per annum (if demanded).</p>
<b>Rent Review</b>	Not applicable.
<b>Rent free period</b>	The rent shall be payable on and from the term commencement date.
<b>Service Charge</b>	The Tenant will pay a fair and reasonable proportion of service charge costs relating to services in relation to the Canada Water estate. Service charge costs will be payable quarterly in advance on the usual quarter days.
<b>Outgoings and Utilities</b>	The Tenant will be responsible for paying all outgoings, rates and taxes in respect of the Premises and all utilities consumed in respect of the Premises.
<b>Break clause / lift and shift</b>	The Lease will not contain any break right for the Landlord or the Tenant. The Lease will not contain any lift and shift provision.

<b>Renewal rights</b>	The Lease shall not include any contractual renewal rights.
<b>Repair</b>	<p>The Tenant must well and substantially repair the Premises (including any landscaping, gardens, courtyards or other external space within the Premises) and maintain and keep them in good and substantial repair and condition. This obligation will include, if the Premises are damaged or destroyed, an obligation on the Tenant to rebuild or reinstate them (as closely as possible to the Premises as existed immediately prior to their damage or destruction).</p> <p>The Tenant will be obliged to keep the Premises in good decorative order and will clean, treat and redecorate the Premises as often as is reasonably necessary and in a good and workmanlike manner and (without limiting the foregoing) will (i) clean all external glazing at the Premises at least four times in each year and (ii) redecorate and treat the exterior of the Premises with appropriate materials and in a good and workmanlike manner in colours/with materials approved by the Landlord (acting reasonably) at least once in every seven years of the term.</p> <p>The Tenant will not store/deposit refuse on the Premises (other than in designated receptacles) and will remove refuse from the Premises as often as reasonably necessary.</p>
<b>Alterations</b>	<p>The Tenant must not carry out any (i) structural alterations to the Premises (ii) work to the exterior of the Premises or any common parts or the estate (iii) work to any service media which does not exclusively serve the Premises (iv) work which may adversely affect energy or water efficiency (v) work to subdivide a Residential Unit or to create additional bedrooms in the Residential Unit.</p> <p>The Tenant must not install any plant/conduits intended to connect into service media which does not exclusively serve the Premises without the Landlord's consent (not to be unreasonably withheld or delayed).</p>
<b>Alienation</b>	<p>The Tenant will not transfer, underlet, mortgage, hold on trust, share possession of the Premises or otherwise deal with the whole or any part of the Premises, save as set out below.</p> <p>The Tenant may transfer the whole of the Premises subject to:</p>

- (a) all rents being discharged prior to the transfer;
- (b) the proposed transfer will comply with all requirements of the Section 106 Agreement to the extent relevant to the Premises; and
- (c) the Landlord's consent (not to be unreasonably withheld or delayed) being obtained to the transfer.

The Tenant may underlet the whole of (i) that part of the Premises which comprises the health facility (to be shown on a plan to be attached to the Lease) and (ii) that part of the Premises which comprises the Residential Units (to be shown on a plan to be attached to the Lease) (each a "Permitted Part") subject to:

- (a) certain conditions, including (i) the underlessee gives a covenant directly to the Landlord to comply with the Lease in so far as it relates to the Permitted Part (ii) the form of underlease is approved by the Landlord (not to be unreasonably withheld or delayed) and (iii) the proposed underlease will comply with all requirements of the Section 106 Agreement to the extent relevant to the Premises; and
- (b) the Landlord's consent (not to be unreasonably withheld or delayed) being obtained to the underletting.

The Tenant may underlet the whole (but not any part only) of any Residential Unit :

- (a) (subject always to the user provisions) to an individual household for residential purposes; and
- (b) by a form of underlease which (i) requires the underlessee to comply with specified rules to be attached to the Lease (which shall be consistent with rules applicable to other residential leases on the Site) (ii) will impose restrictions and covenants on the underlessee relating to the condition of the Residential Unit which are no less onerous than those contained in the Lease (iii) will prevent further underletting or sharing of occupation of whole or part (save where permitted by law)

	<p>and (iv) obliges the underlessee not to do or omit to do anything which would or might put the Tenant in breach of the Lease.</p> <p>The Tenant shall use reasonable endeavours to enforce compliance by any underlessee of a Permitted Part or any Residential Unit with the provisions of the relevant underlease (and will not waive any breach).</p>
<b>Intellectual Property</b>	The Landlord shall grant such rights as are necessary of intellectual property to enable the Council or the Council's nominee to develop the premises in accordance with the Planning Permission.
<b>Insurance</b>	<p>The Tenant will insure the Premises against usual insured risks for the Premises' full reinstatement cost. The Tenant must procure that (unless and to the extent unavailable in the London insurance market at reasonable commercial rates and on reasonable commercial terms) the Landlord's interest (and any superior landlord's interest) is noted on such insurance (either specifically or generally) and use reasonable endeavours to procure that the insurers waive their rights of subrogation against the Landlord (and any superior landlord)/the insurance policy contains a non-invalidation provision in favour of the Landlord (and any superior landlord) in respect of any act, default or omission by the Tenant.</p> <p>The Tenant must supply the Landlord with reasonable evidence from time to time that such insurance is subsisting.</p>
<b>Indemnity</b>	The Tenant will provide a standard tenant's indemnity in favour of the Landlord (which indemnity will extend to the works carried out by the Tenant under the Agreement for Lease).
<b>Forfeiture</b>	The Lease will contain usual forfeiture provisions (which will extend to breaches in respect of the Agreement for Lease).
<b>SDLT</b>	The Tenant will be responsible for paying any SDLT payable in respect of the grant of the Lease in the usual way.

**ANNEX 2**  
**REPLACEMENT ANNEX 15 (HOUSING MIX)**

## Annex 15 – Housing Mix

### Affordable Housing Units:

A minimum of 60% of Affordable Housing Units shall have two or more bedrooms.

A minimum of 20% of Affordable Housing Units shall have three, four or five bedrooms.

Studio flats are not permitted.

### Market Housing Units:

A maximum of 10% of Market Housing Units shall be studio flats.

All Residential Units must meet the following minimum overall floor sizes:

4.	Development type	5.	Residential Unit type (bedroom persons)	6.	Minimum sq m (GIA)
7.	Flats	8.	Studios	9.	36
10.	2 storey houses	11.	1b2p	12.	50
13.		14.	2b3p	15.	61
16.		17.	2b4p	18.	70
19.		20.	2b average	21.	66
22.		23.	3b4p	24.	74
25.		26.	3b5p	27.	86
28.		29.	3b6p	30.	95
31.		32.	3b average	33.	85
34.		35.	4b5p	36.	90
37.		38.	4b6p	39.	99
40.		41.	4b+ average	42.	95
43.		44.	2b4p	45.	83
46.		47.	3b4p	48.	87
49.		50.	3b5p	51.	96
52.		53.	3b average	54.	92
55.		56.	4b5p	57.	100
58.		59.	4b6p	60.	107
61.		62.	4+b average	63.	104
64.	3 storey houses	65.	3b5p	66.	102
67.		68.	4b5p	69.	106
70.		71.	4b6p	72.	113
73.		74.	4+b average	75.	110

When designing homes for more than six persons developers should allow approximately 10 sq m per extra per person.

**ANNEX 3**  
**NEW ANNEX 44 - BASELINE VIABILITY APPRAISAL**

**IN WITNESS WHEREOF** the Parties hereto have executed this Deed the day and year first before written

The Common Seal of **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF SOUTHWARK** was hereto affixed in the presence of:

Authorised Signatory

Executed as a Deed by **BL CW HOLDINGS LIMITED** by a director in the presence of a witness:

Director

Witness Signature

Witness Name

Witness Address

Executed as a Deed by **BL CW HOLDINGS PLOT  
A1 COMPANY LIMITED** by a director in the  
presence of a witness:

Director (signature):

Director (name):

Witness Signature:

Witness Name (block capitals):

Witness Address

Executed as a Deed by **BL CW PLOT A1  
TRADING GP COMPANY LIMITED** by a  
director in the presence of a witness:

Director (signature):

Director (name):

Witness Signature:

Witness Name (block capitals):

Witness Address

Executed as a Deed by **BL CW HOLDINGS PLOT  
A2 COMPANY LIMITED** by a director in the  
presence of a witness:

Director (signature):

Director (name):

Witness Signature:

Witness Name (block capitals):

Witness Address:

Executed as a Deed by **BL CW HOLDINGS PLOT  
K1 COMPANY LIMITED** by a director in the  
presence of a witness:

Director (signature):

Director (name):

Witness Signature:

Witness Name (block capitals):

Witness Address:

Executed as a Deed by **NATIONAL  
WESTMINSTER BANK PLC** by an Authorised  
Signatory in the presence of a witness:

Authorised Signatory (signature):

Authorised Signatory (name, block capitals):

Witness Signature:

Witness Name (block capitals):

Witness Address: