

LAND OFF RED LANE, COLNE

HEADS OF TERMS

SUBJECT TO CONTRACT

SUBJECT TO APPROVAL BY EXECUTIVE COMMITTEE OF THE VENDOR

Property	Freehold interest Land off Red Lane, Colne (part of LAN100949)
Vendor	The Borough Council of Pendle
Purchaser	Beck Developments Ltd
Vendor's Solicitor	Richard Townson Democratic and Legal Manager Town Hall Market Street Nelson BB9 7LG
Purchaser's Solicitor	Stephen Woodall, FDR Law, Warrington
Surveys	<p>It is agreed between the parties that the Purchaser shall procure the necessary surveys required to evaluate any Abnormal Development Costs.</p> <p>The parties shall agree a Schedule of Surveys and the costs of the Surveys prior to any Surveys being carried out</p> <p>The Surveys shall be procured in joint names.</p> <p>The Purchaser shall fund the Survey costs (consultants/quotes to be agreed with the Vendor in advance).</p> <p>In the event that the sale fails to proceed to completion for whatever reason, the Vendor will undertake to reimburse the Purchaser for the full costs of the Surveys undertaken and these Surveys will then become the property of Vendor.</p>
Abnormal Development Costs	<p>The parties agree what is defined as "Abnormal Development Works" prior to the Survey being carried out.</p> <p>The Abnormal Development Costs shall be determined by the Purchaser (following the results of all surveys and design work) and agreed with the Vendor. Upon request by either party the question of Abnormal Development Costs can be referred to a jointly appointed independent consultant (RICS qualified Surveyor) to verify the Abnormal Development Costs. The Independent Consultant's fee will be met on a 50-50 basis by the parties</p>

Appendix B

Exchange Timescales	Contracts will be exchanged once the Surveys have been undertaken and the Abnormal Development Costs have been agreed. Target – early August.
Deposit	10% of the Gross Purchase Price payable upon exchange of contracts and to be held by the Vendor to the Purchaser's order (refundable (without interest) in the event that satisfactory planning permission is not forthcoming)
Conditions	The contract is subject to the following: <ul style="list-style-type: none"> ▪ Satisfactory Planning Permission
Planning Application	<p>The Purchaser shall be obliged to submit a planning application within 3 months of exchanging contracts. The Purchaser shall be the sole applicant in relation to any planning applications or appeals.</p> <p>The Purchaser shall bear the costs of the planning application.</p> <p>If planning application is not submitted within this time scale or agreed extension (at the sole discretion of the Vendor) the Vendor can terminate the Contract and the Vendor will refund the Deposit</p>
Satisfactory Planning Permission	<p>A planning permission (given by the Local Planning Authority or in the case of an appealed decision by the Secretary of State) that is satisfactory to the Purchaser acting reasonably. Upon receipt of a planning decision notice, the Purchaser shall confirm to the Vendor within 14 days as to whether the planning permission shall be deemed a Satisfactory Planning Permission.</p> <p>In the event that the Purchaser does not deem the planning permission to be a Satisfactory Planning Permission, the Purchaser shall have the opportunity to resubmit a revised planning application or apply to remove/vary any of the conditions on the planning permission such applications must be submitted within 28 days of confirming to the Vendor that the planning permission was not a Satisfactory Planning Permission.</p> <p>In the event of the planning permission not being granted or being unsatisfactory (having had the opportunity to submit a revised planning application and/or remove/vary the conditions contained within a planning permission) the Contract will terminate and the Vendor will refund to the Purchaser the Deposit</p>
Gross Purchase Price	£1,260,000 (One Million Two Hundred and Sixty Thousand Pounds)

Appendix B

Deductions	The Deductions will be the Vendor's Portion of the Section 106 Costs plus the Vendor's Portion of the Abnormal Development Costs
Vendor's Portion	The % of the costs to be apportioned to the Property calculated on a pro rata basis (based on the net development areas of each respective parcel of land).
Section 106 Costs	All Section 106 Costs relating to the Development shall be determined by the Purchaser and issued to the Vendor for approval within 14 days of the date of the Satisfactory Planning Permission.
Purchase Price	The Purchase Price will be the Gross Purchase Price less the Deductions payable on Legal Completion Date
Assignment	The contract shall only be assignable to Beck Homes (UK) Ltd or another company within the same group of companies.
Unconditional Date	The date one day after the Conditions are satisfied and the contract becomes unconditional.
Legal Completion Date	The Legal Completion Date shall be the date 6 months after the Unconditional Date or on an earlier date that is mutually agreeable to both parties
Long Stop Date	31 st December 2018 by either party giving written notice to the other. In the event of the delays being due to the act or omission of the Purchaser the Vendor shall be entitled to retain the Deposit
Vacant Possession	The Vendor will provide vacant possession on the Legal Completion Date.
VAT	All values are exclusive of VAT, where applicable.
Legal Costs	Each Party to bear their own legal fees