Docusign Envelope ID: 2BF77A10-7A46-45C5-96A5-4417AC202CF4

Dated 2 January **2024**5

(1) South Holland District Council

and

(2) Ashwood Homes Limited

and

(3) HSBC UK Bank Plc

DEED OF VARIATION
Sections 106 and 106A of the Town and Country Planning Act 1990

Relating to land to the east of Chaffinch Way, Holbeach, Spalding (known as Balmoral Way, Phase 2)

South Holland District Council
Council Offices
Priory Road
Spalding
PE11 2XE

SHDC Reference: LD/H09-0800-24

RESTRICTED

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Date 2 January 2025

BETWEEN

(1) **SOUTH HOLLAND DISTRICT COUNCIL** of Council Offices, Priory Road, Spalding, PE11 2XE ("the Council"); and

(2) **ASHWOOD HOMES LIMITED** (Company Registration No.04242280) of 1 Goodison Road, Lincs Gateway Business Park, Spalding, PE12 6FY ("the Owner"); and

(3) **HSBC UK BANK PLC** (Company Registration No. 09928412) of 1 Centenary Square, Birmingham B1 1HQ ("the Mortgagee").

BACKGROUND

(A) The Council is the Local Planning Authority for the purposes of the Act for the area within which the Land is situated.

(B) The Owner is the freehold owner of the Land registered at HM Land Registry under Title Number LL413973 which is subject to a registered charge in favour of the Mortgagee dated 26 July 2022 and referred to in entry number 1 of the charges register of title number LL413973.

(C) On 28 February 2022 the Council and Ashley King (Developments) Limited entered into the Original Agreement.

(D) Ashley King (Developments) Limited changed its name to Ashwood Homes Limited and, therefore, reference to the Owner in the Original Agreement shall be a reference to Ashley King (Developments) Limited and Ashwood Homes Limited.

(E) The Owner has submitted to the Council the Section 106A Modification Application to amend the obligations to allow amendment to the tenure of the 9 Affordable Dwellings to First Homes.

(F) Without prejudice to the terms of the other covenants contained in the Original Agreement the parties have agreed to vary the terms of the Original Agreement as set out in this Deed.

(G) The parties have agreed to enter into this Deed to give its consent to the terms of this Deed.

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(H) This agreement is made under Sections 106 and 106A of the Act and is supplemental to the Original Agreement.

NOW THIS DEED WITNESSES AS FOLLOWS:

1. DEFINITIONS

For the purposes of this Deed the following expressions shall have the following meanings:

"Original Agreement"	means the agreement made under section 106 of the Act relating to land to the east of Chaffinch Way, Holbeach, Spalding dated 28 February 2022 and made between (1) the Council and (2) the Owner
"Section 106A Modification Application"	means the application for the modification or discharge of planning obligations submitted by the Owner to the Council and accepted on 19 September 2024 to amend the tenure of the Affordable Dwellings to First Homes and allocated reference number H09-0800-24

2. CONSTRUCTION OF THIS DEED

2.1 Clause headings are for reference only and shall not affect the interpretation of this Deed.

2.2 Unless the context otherwise requires and save as herein varied all words and phrases defined in the Original Agreement shall have the same meaning in this deed.

2.3 Where in this Deed reference is made to any clause, paragraph, schedule or recital such reference (unless the context otherwise requires) is a reference to a clause, paragraph, schedule or recital in this Deed.

2.4 Words importing the singular meaning where the context so admits include the plural meaning and vice versa.

2.5 Words of the masculine gender include the feminine and neuter genders and words denoting actual persons include companies, corporations and firms and all such words shall be construed interchangeably.

2.6 Any reference to an Act of Parliament shall include any modification, extension or re-enactment of that act for the time being in force and shall include all instruments, orders, plans, regulations, permissions and directions for the time being made, issued or given under that act or deriving validity from it.

2.7 References to any party to this Deed shall include the successors in title to that party and to any deriving title through or under that party to the Land or any part thereof and in the case of the Council, successors to its functions.

3. LEGAL BASIS

3.1 This Deed is made pursuant to Sections 106 and 106A of the Act, Section 111 of the Local Government Act 1972 and Section 1 of the Localism Act 2011 and all other enabling powers with the intent that the covenants and obligations shall run with the Land.

4. VARIATIONS TO THE ORIGINAL AGREEMENT

4.1 The Following definitions shall be added to the Original Agreement

"Original Agreement"	means the agreement made under section 106 of the Act relating to land to the east of Chaffinch Way, Holbeach, Spalding dated 28 February 2022 and made between (1) the Council and (2) the Owner
"Section 106A Modification Application"	means the application for the modification or discharge of planning obligations submitted by the Owner to the Council and accepted on 19 September 2024 to amend the tenure of

	the Affordable Dwellings to First Homes and allocated reference number H09-0800-24

4.2 The following definitions in Clause 1 in the Original Agreement shall be deleted in their entirety:

4.2.1 "Affordable Housing Contribution"
4.2.2 "Affordable Housing Provider"
4.2.3 "Affordable Rent Dwelling"
4.2.4 "Chargee"
4.2.5 "Eligible Household"
4.2.6 "Homes England"
4.2.7 "Nomination Agreement"
4.2.8 "Protected Person"
4.2.9 "Rented Dwellings"
4.2.10 "Shared Ownership Dwellings"
4.2.11 "Social Rented Dwellings"

4.3 Clause 9.9 in the Original Agreement shall be deleted in its entirety.

4.4 Schedule 5 in the Original Agreement shall be deleted in its entirety.

4.5 The definition of "Affordable Housing Scheme" in Clause 1 of the Original Agreement shall be deleted and replaced with the following:

"Affordable Housing Scheme"	means the scheme for securing the Affordable Housing and detailing the design, tenure, mix, size and location of the Affordable Housing to be provided as part of the Development and consisting of 9 First Homes comprising 2 x one-bedroom houses, 5 x two-bedroom house and 2 x three-bedroom houses (being plots 37, 38, 47 – 53 inclusive), as

	shown on the Affordable Housing Plan, unless such other alternative mix, percentage(s) and/or plot(s) is agreed with the Council acting reasonably (and such consent not to be unreasonably withheld or delayed)

4.6 Clause 9.8.1 in the Original Agreement shall be amended to read:

"...owners occupiers or tenants of Dwellings nor against those deriving title from them...".

4.7 Paragraph 1 of Schedule 3 in the Original Agreement shall be deleted in its entirety and replaced with the following:

*"**1. Affordable Payment***

1.1 Not to Occupy or permit the Occupation of more than 80% of the Dwellings unless and until the Affordable Payment has been paid to the Council in full IT BEING AGREED THAT any Indexation applied to the Affordable Payment shall be calculated from the date 6 (six) months after the approval of the Section 106A Modification Application."

4.8 Paragraph 1 of Schedule 4 in the Original Agreement shall be deleted in its entirety and replaced with the following:

*"**1. Affordable Payment***

1.1 The Council shall use the Affordable Payment towards the provision of further Affordable Housing within the District."

4.9 A new Clause 20 shall be inserted in the Original Agreement as follows:

*"**20. MORTGAGEE'S CONSENT***

20.1 The Mortgagee acknowledges and declares that this Deed has been entered into by the Owner with its consent and that the Land shall be bound by the obligations contained in this Deed and that the security

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of the mortgage over the Land shall take effect subject to this Deed ***PROVIDED THAT*** *the Mortgagee shall otherwise have no liability under this Deed unless it takes possession of the Land in which case it too will be bound by the obligations as if it were a person deriving title from the Owner. For the avoidance of doubt the Mortgagee will not be liable for any pre-existing breach prior to becoming a mortgagee in possession, and will have no liability after it ceases to have an interest in the site"*

4.10 The definitions set out in Schedule 1 to this Deed shall be added to Clause 1 of the Original Agreement:

4.11 The First Homes obligations set out in Schedule 2 of this Deed shall be added to the Original Agreement as Schedule 3A.

4.12 In all other respects the Original Agreement (as varied by this Deed) shall remain in full force and effect.

5. THE OWNER'S COVENANTS

5.1 The Owner covenants to observe and perform the covenants, restrictions and obligations contained in the Original Agreement as varied by this Deed.

6. LOCAL LAND CHARGE

6.1 This Deed shall be registerable as a local land charge by the Council.

7. COUNCIL'S COSTS

7.1 The Owners shall pay to the Council on or before the date of this Deed:

(a) the Council's reasonable legal costs of £625 together with all disbursements (if any) incurred in connection with the preparation, completion and registration of this Deed; and

(b) the sum of £424 as a contribution towards the Council's costs in monitoring the implementation of this Deed.

8. VAT

8.1 Any consideration given under this Deed shall be done in such a way that the VAT liability is borne by the Owner and not the Council.

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9. THIRD PARTY RIGHTS

9.1 No provisions of this Deed shall be enforceable under the Contracts (Rights of Third Parties) Act 1999.

10. JURISDICTION

10.1 This Deed is governed by and interpreted in accordance with the laws of England and the parties submit to the exclusive jurisdiction of the courts of England and Wales.

11. EXECUTION AND DELIVERY

This Deed is executed as a deed by the parties and is delivered on the date first hereinbefore written.

IN WITNESS whereof the parties hereto have executed this Deed on the day and year first before written.

The **COMMON SEAL** of **SOUTH HOLLAND DISTRICT COUNCIL** was hereunto affixed in the presence of:-



Authorised Signatory Jusan King AD Housing

Executed as a **Deed** by)
ASHWOOD HOMES LIMITED)
Acting by **ASHLEY KING in the presence of**)
MICHAEL TEMPLE)

Signed by:
A68A93AB14D04CD...

Signed by:
Michael Temple
B3950A1C0F6847A...

Address: Ashwood Homes, 1 Goodison Road, Lincs Gateway Business Park, Spalding, PE12 6FY

Occupation: Land Manager

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EXECUTED as a **DEED** by
HSBC UK BANK PLC
acting by its attorney
SEAN SHEFFIELD
Witnessed by **JAMES O'MEARA**

DocuSigned by:
Sean Sheffield
B2754F52477D4F6...

DocuSigned by:
James O'Meara
3C5314A881DF495...

Witness address: 2nd Floor, Landmark St. Peter's Square, 1 Oxford St, Manchester M1 4PB

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SCHEDULE 1

NEW DEFINITIONS FOR INSERTION INTO ORIGINAL AGREEMENT

"Additional First Homes Contribution"	means in circumstances where a sale of a First Home other than as a First Home has taken place in accordance with paragraphs 5.8, 5.9 or 7 of Schedule 3A, the lower of the following two amounts: (a) 30% of the proceeds of sale; and (b) the proceeds of sale less the amount due and outstanding to any Mortgagee of the relevant First Home under relevant security documentation which for this purpose shall include all accrued principal monies, interest and reasonable costs and expenses that are payable by the First Homes Owner to the Mortgagee under the terms of any mortgage but for the avoidance of doubt shall not include other costs or expenses incurred by the First Homes Owner in connection with the sale of the First Home and which for the avoidance of doubt shall in each case be paid following the deduction of any SDLT payable by the First Homes Owner as a result of the disposal of the First Home other than as a First Home.
"Affordable Payment"	means the sum of ninety-two thousand four hundred pounds (£92,400) plus Indexation (subject to paragraph 1 of Schedule 3) which arises due to the provision of First

	Homes instead of Affordable Housing on the Development.
"Armed Services Member"	means a member of the Royal Navy the Royal Marines the British Army or the Royal Air Force or a former member who was a member within the five (5) years prior to the purchase of the First Home, a divorced or separated spouse or civil partner of a member or a spouse or civil partner of a deceased member or former member whose death was caused wholly or partly by their service
"Compliance Certificate"	means the certificate issued by the Council confirming that a Dwelling is being disposed of as a First Home to a purchaser meeting the Eligibility Criteria (National) and unless paragraph 5.2 of Schedule 3A applies also meets the Eligibility Criteria (Local)
"Discount Market Price"	means a sum which is the First Home Market Value discounted by at least 30%
"Disposal"	means a transfer of the freehold or (in the case of a flat only) the grant or assignment of a leasehold interest in a First Home other than: (a) a letting or sub-letting in accordance with paragraph 6 of Schedule 3A (b) a transfer of the freehold interest in a First Home or land on which a First Home is to be provided before that First Home is made available for Occupation except where the transfer is to a First Homes Owner

	(c) an Exempt Disposal and "Disposed" and "Disposing" shall be construed accordingly
"Eligibility Criteria (Local)"	means one of the following criteria: (i) was born within the South Holland District and has lived there for 2 years or more; or (ii) has permanently resided in South Holland District for 2 years or more; or (iii) used to permanently live in South Holland District for 2 years or more but has been forced to move away because of the lack of affordable housing; or (iv) has been permanently employed in South Holland District for 2 years or more.
"Eligibility Criteria (National)"	means criteria which are met in respect of a purchase of a First Home if: (a) the purchaser is a First Time Buyer (or in the case of a joint purchase each joint purchaser is a First Time Buyer); and (b) the purchaser's annual gross income (or in the case of a joint purchase, the joint purchasers' joint annual gross income) does not exceed the Income Cap (National).
"Exempt Disposal"	means the Disposal of a First Home in one of the following circumstances: (a) a Disposal to a spouse or civil partner upon the death of the First Homes Owner (b) a Disposal to a named beneficiary under the terms of a will or under the rules of intestacy following the death of the First

	Homes Owner (c) Disposal to a former spouse or former civil partner of a First Homes Owner in accordance with the terms of a court order, divorce settlement or other legal agreement or order upon divorce, annulment or dissolution of the marriage or civil partnership or the making of a nullity, separation or presumption of death order (d) Disposal to a trustee in bankruptcy prior to sale of the relevant Dwelling (and for the avoidance of doubt paragraph 7 of Schedule 3A shall apply to such sale) Provided that in each case other than (d) the person to whom the disposal is made complies with the terms of paragraph 6 of Schedule 3A
"First Home"	means a Dwelling which may be disposed of as a freehold or (in the case of flats only) as a leasehold property to a First Time Buyer at the Discount Market Price and which on its first Disposal does not exceed the Price Cap
"First Homes Costs"	means the sum of one hundred and fifty pounds (£150) or the amount published in the Council's Fees and Charges document on the Council's website (whichever is greater) per each First Homes Unit built on the Land as part of the Development
"First Homes Owner"	means the person or persons having the freehold or leasehold interest (as applicable) in a First Home other than: (a) the Owner; or

	(b) a developer or other entity to which the freehold interest or leasehold interest in a First Home or in the land on which a First Home is to be provided has been transferred before that First Home is made available and is disposed of for Occupation as a First Home; (c) the freehold a tenant or sub-tenant of a permitted letting under paragraph 6 of Schedule 3A
"First Time Buyer"	means a first time buyer as defined by paragraph 6 of Schedule 6ZA to the Finance Act 2003
"Income Cap (National)"	means eighty thousand pounds (£80,000) or such other sum as may be published for this purpose from time to time by the Secretary of State and is in force at the time of the relevant disposal of the First Home
"Market Value"	means the open market value as assessed by a Valuer of Dwelling as confirmed to the Council by the First Homes Owner and assessed in accordance with the RICS Valuation Standards (January 2014 or any such replacement guidance issued by RICS) and for the avoidance of doubt shall not take into account the 30% discount in the valuation
"Mortgagee"	any financial institution or other entity regulated by the Prudential Regulation Authority and the Financial Conduct Authority to provide facilities to a person to enable that person to acquire a First Home including all such regulated entities which

	provide Shari'ah compliant finance for the purpose of acquiring a First Home
"Price Cap"	means the amount for which the First Home is sold after the application of the Discount Market Price which on its first Disposal shall not exceed Two Hundred and Fifty Thousand Pounds (£250,000) or such other amount as may be published from time to time by the Secretary of State
"SDLT"	means Stamp Duty Land Tax as defined by the Finance Act 2003 or any tax replacing it of like effect
"Secretary of State"	means the Secretary of State for Levelling Up, Housing and Communities from time to time appointed and includes any successor in function
"Valuer"	means a Member or Fellow of the Royal Institution of Chartered Surveyors being a Registered Valuer appointed by the First Homes Owner and acting in an independent capacity

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SCHEDULE 2
FIRST HOMES

1. OBLIGATIONS

Unless otherwise prior agreed in writing by the Council the Owner with the intention that the following provisions shall bind the Land covenants with the Council as below save that

1.1 paragraphs 2, 3, and 4 of this Schedule 3A shall not apply to a First Homes Owner;

1.2 paragraphs 5 and 6 of this Schedule 3A apply as set out therein but and for the avoidance of doubt where a First Home is owned by a First Homes Owner they shall apply to that First Homes Owner only in respect of the First Home owned by that First Homes Owner; and

1.3 Paragraph 7 of this Schedule 3A applies as set out therein.

2. APPEARANCE AND SPECIFICATION

2.1 The First Homes shall not be visually distinguishable from the Market Dwellings based upon their external appearance.

2.2 The internal specification of the First Homes shall not by reason of their being First Homes be inferior to the internal specification of the equivalent Market Dwellings but, subject to that requirement, variations to the internal specifications of the First Homes shall be permitted

3. TYPE AND DISTRIBUTION

3.1 The mix of First Homes provided within the Development (Full) shall be in accordance with the Affordable Housing Plan.

4. DEVELOPMENT STANDARD

4.1 All First Homes shall be constructed to no less than the standard applied to the Market Dwellings.

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5. DELIVERY MECHANISM

5.1 The First Homes shall be marketed for sale and shall only be sold (whether on a first or any subsequent sale) as First Homes to a person or person(s) meeting

5.1.1 the Eligibility Criteria (National); and

5.1.2 the Eligibility Criteria (Local) (if any)

5.2 If after a First Home has been actively marketed for three (3) months (such period to expire no earlier than three (3) months prior to Practical Completion) it has not been possible to find a willing purchaser who meets the Eligibility Criteria (Local), paragraph 5.1.2 shall cease to apply.

5.3 Subject to paragraphs 5.6 to 5.10 no First Home shall be Disposed of (whether on a first or any subsequent sale) unless not less than 50% of the purchase price is funded by a first mortgage or other home purchase plan with a Mortgagee

5.4 No First Home shall be Disposed of (whether on a first or any subsequent sale) unless and until:

5.4.1 The Council has been provided with evidence that:

5.4.1.1 the intended purchaser meets the Eligibility Criteria (National) and unless paragraph 5.2 applies also meets the Eligibility Criteria (Local) (if any);

5.4.1.2 the Dwelling is being Disposed of as a First Home at the Discount Market Price; and

5.4.1.3 the transfer of the First Home includes:

a) a definition of the "Council" which shall be *South Holland District Council, Council Offices, Priory Road, Spalding, PE11 2XE*

b) a definition of "First Homes Provisions" in the following terms:

"means the provisions set out in paragraph 5.1 – 5.9 of Schedule 3A of the S106 Agreement a copy of which is attached hereto as the Annexure."

c) A definition of "S106 Agreement" means the agreement made pursuant to Section 106 of the Town and Country Planning Act 1990 (as amended) dated [ ] made between (1) the Council [and] (2)

[and (3)]

d) a provision that the Property is sold subject to and with the benefit of the First Homes Provisions and the Transferee acknowledges that it may not transfer or otherwise Dispose of the Property or any part of it other than in accordance with the First Homes Provisions

e) a copy of the First Homes Provisions in an Annexure

5.4.2 The Council has issued the Compliance Certificate and the Council hereby covenants that it shall issue the Compliance Certificate within twenty eight (28) days of being provided with evidence sufficient to satisfy it that the requirements of paragraphs 5.3 and 5.4.1 have been met

5.5 On the first Disposal of each and every First Home to apply to the Chief Land Registrar pursuant to Rule 91 of and Schedule 4 to the Land Registration Rules 2003 for the entry on the register of the title of that First Home of the following restriction:

"No disposition of the registered estate (other than a charge) by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a certificate signed by [Local Authority] of [address] or a conveyancer that the provisions of clause XX (the First Homes provision) of the Transfer dated [Date] referred to in the Charges Register have been complied with or that they do not apply to the disposition"

5.6 The owner of a First Home (which for the purposes of this clause shall include the Owner and any First Homes Owner) may apply to the Council to Dispose of it other than as a First Home on the grounds that either:

5.6.1 the Dwelling has been actively marketed as a First Home for six (6) months in accordance with Clauses 5.1 and 5.2 of this Schedule 3A (and in the case of a first Disposal the six (6) months shall be calculated from a date no earlier than six (6) months prior to Practical Completion) and all reasonable endeavours have been made to

Dispose of the Dwelling as a First Home but it has not been possible to Dispose of that Dwelling as a First Home in accordance with paragraphs 5.3 and 5.4.1 of Schedule 3A; or

5.6.2 requiring the First Homes Owner to undertake active marketing for the period specified in paragraph 5.6.1 before being able to Dispose of the Dwelling other than as a First Home would be likely to cause the First Homes Owner undue hardship

5.7 Upon receipt of an application served in accordance with paragraph 5.6 the Council shall have the right (but shall not be required) to direct that the relevant Dwelling is disposed of to it at the Discount Market Price

5.8 If the Council is satisfied that either of the grounds in paragraph 5.6 above have been made out it shall confirm in writing within twenty eight (28) days of receipt of the written request made in accordance with paragraph 5.6 that the relevant Dwelling may be Disposed of:

5.8.1 to the Council at the Discount Market Price; or

5.8.2 (if the Council confirms that it does not wish to acquire the relevant Dwelling) other than as a First Home

and on the issue of that written confirmation the obligations in this Deed which apply to First Homes shall cease to bind and shall no longer affect that Dwelling apart from paragraph 5.10 which shall cease to apply on receipt of payment by the Council where the relevant Dwelling is disposed of other than as a First Home

5.9 If the Council does not wish to acquire the relevant Dwelling itself and is not satisfied that either of the grounds in paragraph 5.6 above have been made out then it shall within twenty eight (28) days of receipt of the written request made in accordance with paragraph 5.6 serve notice on the owner of the First Home setting out the further steps it requires the owner of the First Home to take to secure the Disposal of a Dwelling as a First Home and the timescale (which shall be no longer than six (6) months). If at the end of that period the owner of the First Home has been unable to Dispose of the Dwelling as a First Home they may serve notice on the Council in accordance with paragraph 6.6 following which the Council must within twenty eight (28) days issue confirmation in writing that the Dwelling may be Disposed of other than as a First Home

5.10 Where a Dwelling is Disposed of other than as a First Home or to the Council at the Discount Market Price in accordance with paragraphs 5.8 or 5.9 above the owner of the First Home shall pay to the Council forthwith upon receipt of the proceeds of sale the Additional First Homes Contribution

5.11 Upon receipt of the Additional First Homes Contribution the Council shall:

5.11.1 within twenty eight (28) Working Days of such receipt provide a completed application to enable the removal of the restriction on the title set out in paragraph 5.5 where such restriction has previously been registered against the relevant title

5.11.2 apply all monies received towards the provision of Affordable Housing within the District

5.12 Any person who purchases a First Home free of the restrictions in this Schedule 3A and Schedule 3 (where relevant) pursuant to the provisions in paragraphs 5.9 and 5.10 shall not be liable to pay the Additional First Homes Contribution to the Council.

6. USE

Each First Home shall be used only as the main residence of the First Homes Owner and shall not be let, sub-let or otherwise Disposed of other than in accordance with the terms of this Deed **PROVIDED THAT** letting or sub-letting shall be permitted in accordance with paragraphs 6.1 – 6.4 below.

6.1 A First Homes Owner may let or sub-let their First Home for a fixed term of no more than two (2) years, provided that the First Homes Owner notifies the Council in writing before the First Home is Occupied by the prospective tenant or sub-tenant. A First Homes Owner may let or sub-let their First Home pursuant to this paragraph more than once during that First Homes Owner's period of ownership, but the aggregate of such lettings or sub-lettings during a First Homes Owner's period of ownership may not exceed two (2) years.

6.2 A First Homes Owner may let or sub-let their First Home for any period provided that the First Homes Owner notifies the Council and the Council consents in writing to the proposed letting or sub-letting. The Council covenants not to unreasonably withhold or delay giving such consent and not to withhold such consent in any of circumstances (a) – (f) below:

a) the First Homes Owner is required to live in accommodation other than

their First Home for the duration of the letting or sub-letting for the purposes of employment;

b) the First Homes Owner is an active Armed Services Member and is to be deployed elsewhere for the duration of the letting or sub-letting;

c) the First Homes Owner reasonably requires to live elsewhere for the duration of the letting or sub-letting in order to escape a risk of harm;

d) the First Homes Owner reasonably requires to live elsewhere for the duration of the letting or sub-letting as a result of relationship breakdown;

e) the First Homes Owner reasonably requires to live elsewhere for the duration of the letting or sub-letting as a result of redundancy; and

f) the First Homes Owner reasonably requires to live elsewhere for the duration of the letting or sub-letting in order to provide care or assistance to any person.

6.3 A letting or sub-letting permitted pursuant to paragraph 6.1 or 6.2 must be by way of a written lease or sub-lease (as the case may be) of the whole of the First Home on terms which expressly prohibit any further sub-letting.

6.4 Nothing in this paragraph 6 of Schedule 3A prevents a First Homes Owner from renting a room within their First Home or from renting their First Home as temporary sleeping accommodation provided that the First Home remains at all times the First Home Owner's main residence.

7. MORTGAGEE EXCLUSION

The obligations in paragraphs 1 – 6 of this Schedule 3A shall not apply to any Mortgagee or any receiver (including an administrative receiver appointed by such Mortgagee or any other person appointed under any security documentation to enable such Mortgagee to realise its security or any administrator (howsoever appointed (each a Receiver)) of any individual First Home or any persons or bodies deriving title through such Mortgagee or Receiver **PROVIDED THAT**:

7.1 such Mortgagee or Receiver shall first give written notice to the Council of its intention to Dispose of the relevant First Home; and

7.2 once notice of intention to Dispose of the relevant First Home has been given by the Mortgagee or Receiver to the Council the Mortgagee or Receiver shall be free to sell that First Home at its full First Home Market Value and subject

only to paragraph 7.3

7.3 following the Disposal of the relevant First Home the Mortgagee or Receiver shall following the deduction of the amount due and outstanding under the relevant security documentation including all accrued principal monies, interest and reasonable costs and expenses pay to the Council the Additional First Homes Contribution.

7.4 following receipt of notification of the Disposal of the relevant First Home the Council shall:

7.4.1 forthwith issue a completed application to the purchaser of that Dwelling to enable the removal of the restriction on the title set out in paragraph 5.5; and

7.4.2 apply all such monies received towards the provision of Affordable Housing

8. THE COUNCIL'S ADMINISTRATIVE COSTS

8.1 The Owner shall pay to the Council the First Homes Costs within 10 Working Days of the Disposal of the initial and subsequent sale of each First Home by the Owner to a First Homes Owner