

VICARAGE FARM (IRCHESTER) LIMITED

SCHEDULE OF PRINCIPLES

SUBJECT TO CONTRACT

- 1. The Principle Property** Land at Vicarage Farm, South of Gypsy Lane, Irchester
44 Ha (110 acres)

- 2. Intention**

It is the landowners intention to enter into an Agreement which Will require the Developer to promote the land through the planning process for development.

The Developer shall use all reasonable endeavours to secure a consent for a residential led development with associated community uses. The Developer will be under a duty at all times to seek to maximise the value of the property. Following the grant of planning consent, the land will either be offered for sale on the open market, with the sale proceeds divided between the parties, or purchased by the Developer on agreed terms.

The Developer will be responsible for all work associated with the promotion of land through the planning process, including all work associated with the review of any Development Plan and the submission of Planning Application(s) or Appeal(s) if necessary.

- 3. Agreement Type**

The Landowner is seeking offers for a Promotion Agreements, option, or Hybrid Agreement.

It is envisaged that landowner will enter into common terms with a developer/promoter. The structure of the agreement will be agreed at the point of agreement of heads of terms.

- 4. Initial Premium** A premium is sought by the Landowner payable on entering into an Agreement. The Premium should be non-refundable.

- 5. Discount to Market Value/Distribution Of Sale Price** Offers sought

- 6. Term** It is likely that the Landowner would prefer an agreement period of approximately 10 years maximum which could be extended by the Developer on payment of a further fee.

- 7. Promotion Costs** A cap on Promotion Costs will be sought by the Landowner. Please confirm the level of cap offered.

- 8. Contract of Sale** Any Contract of Sale will need to include a requirement to provide access and services to facilitate the development of any of the Landowner's retained land and certain third party land (to be defined on a plan).
- 9. Landowners Minimum Return** The Landowner shall not be required to proceed with the sale of land, unless the consideration paid to the Landowner after all deductions is equal to, or in excess of, an agreed Minimum Return.
- Please set out your proposals based on a price per Gross Acre and a price per Net Developable Acre.
- Indexation will apply to the Landowners Minimum Return.
- 10. Phasing** The Landowner has expressed a preference for the land to be sold in one transaction. Please confirm your position regarding any proposed phasing.
- 11. Fees** The Developer will be required to provide an absolute undertaking to cover the Landowners' Legal and Agents Fees incurred in:
- 1) Agreeing and preparing the Agreement which will be interim billed up to the point of Exchange of Contracts and will be chargeable whether the matter proceeds to completion or not.
 - 2) The Developers shall pay a Monitoring Fee to the Landowners' agents to cover costs associated with the monitoring of the Developers progress through the planning process to include discussions on Planning Obligations.
- 12. Commencement of Promotion Work** It is likely that the Landowner will be supportive of the Developer commencing work to promote the site at their own risk on agreement of the Heads of Terms, subject to liaison and approval of the planning strategy by the Landowner.
- Please confirm this is acceptable.
- 13. Third Party Land** It is acknowledged that a Developer may wish to extend their Interests by securing an interest in adjoining third party ownerships. The Developer will be required to agree not to Ransom the Landowner.

14. Required Developer Information

Please provide information for distribution to the Landowners outlining your:

- Track Record
- Funding Position
- Any approval process required before entering into an agreement.

15. Important Note

Please note that this list is not a proposed heads of terms and is not exhaustive. It is presented on a subject to contract basis and could be subject to change/addition.