

3 **CONDITIONALITY**

3.1 This Deed shall take effect upon the date of this Deed.

4 **AMENDMENTS TO THE PRINCIPAL DEED**

4.1 The LPA and the Owner agree that on and from the date of this Deed the Principal Deed is varied as follows:

4.1.1 The following words shall be **inserted** at the end of clause 14.2 of the Principal Deed:

AND FURTHER PROVIDED THAT the Affordable Housing Contribution (as defined at Schedule 1) or relevant part thereof shall be increased by reference to the amount of the quarterly increase in the Index from ...26 November 2024... until the date the Affordable Housing Contribution or relevant part thereof is paid

4.1.2 The following definitions at paragraph 1 of Schedule 1 of the Principal Deed shall be **deleted**:

“Affordable Housing Contract”; “Affordable Housing Management Scheme”; “Affordable Housing Plan”; “Charge”; “Chargee”; Corresponding Income Cap”; “CPI”; “Date of Deemed Service”; “Default Notice”; “GLA Income Cap”; “Grant Funding”; “Higher Income Cap”; “Higher Income Cap Units”; “Homes England”; “Intention Notice”; “London Affordable Rent Units”; “Lower Income Cap”; “Lower Income Cap Units”; “Marketing Commencement Date”; “Marketing Period”; “Middle Income Cap”; “Middle Income Cap Units”; “Moratorium Period”; “Option”; “Perpetuity”; “Rent and Nominations Agreement”; “Shared Ownership Units”; “Staircasing” and “Sums Due”.

4.1.3 The following definition shall be **inserted** into paragraph 1 of Schedule 1 of the Principal Deed:

Affordable Housing Contribution means the sum of £7,773,000 (seven million, seven hundred and seventy-three thousand pounds) to be applied by the LPA towards the provision of Affordable Housing in its area

4.1.4 The definition of “Affordable Housing Provider” at paragraph 1 of Schedule 1 shall be **amended** to read:

Affordable Housing Provider means a provider of Affordable Housing registered by the Regulator of Social Housing in accordance with the Housing and Regeneration Act 2008 whose objectives include the provision of Affordable Housing

4.1.5 The definition of "Formula 2" at paragraph 1 of Schedule 2 shall be **amended** such that:-

(a) the formula is replaced with:

$$X = ((A - B) - (C - D) - P) \times 0.6; \text{ and}$$

(b) reference to 'E' is deleted

4.1.6 Paragraphs 2 to 8 of Schedule 1 of the Principal Deed shall be **deleted**.

4.1.7 A new paragraph 2 shall be **inserted** into Schedule 1 of the Principal Deed as follows:

1. Affordable Housing Contribution

1.1 The Owner covenants:

1.1.1 to pay the LPA 50% (fifty percent) of the Affordable Housing Contribution within 30 Working Days of 26 November 2024;

1.1.2 to pay the LPA the remaining 50% (fifty percent) of the Affordable Housing Contribution prior to Occupation of the Development or prior to the sale/letting of more than 20% (twenty percent) of the Residential Units (whichever is the earliest);

1.2 The Owner covenants not to Occupy the Development or sell/let more than 20% of the Residential Units until it has paid the Affordable Housing Contribution to the LPA.

4.1.8 The following definition shall be **inserted** at paragraph 1 of Schedule 2:

Baseline Appraisal Update means the development appraisal dated 4 November 2024 entitled "BNP Paribas Real Estate Development Appraisal Legacy Wharf - Phase 2 - July 2022 Payment in Lieu - 100% MH"

4.1.9 The definition of "Breakeven Build Costs" at paragraph 1 of Schedule 2 shall be **deleted** and replaced with:

Breakeven Build Costs means the sum of £58,069,771 (fifty-eight million, sixty-nine thousand, seven hundred and seventy one pounds) being the costs of demolition, construction, external works and assumed contingency allowance determined by the Baseline Appraisal Update

4.1.10 The definition of “*Breakeven GDV*” at paragraph 1 of Schedule 2 shall be **deleted** and replaced with:

Breakeven GDV means the gross development value established by the Baseline Appraisal Update being £103,316,310 (one hundred and three million, three hundred and sixteen thousand, three hundred and ten pounds)

4.1.11 Paragraphs 2 to 4 of Schedule 2 of the Principal Deed shall be **deleted**.

4.1.12 In paragraph 6.3.1 of Schedule 2 the words “*Additional Affordable Housing Units are required to be delivered in accordance with Formula 1 and Formula 3 or whether*” shall be **deleted**.

4.1.13 Paragraph 6.3.4(c) of Schedule 2 shall be **deleted** and **replaced** with:

“(c) *it accepts the conclusions of the Viability Review Submission (“Acceptance Notice”).*”

4.1.14 Paragraph 6.7 of Schedule 2 shall be **deleted**.

4.1.15 Paragraphs 7.1 to 7.3 of Schedule 2 shall be **deleted**.

4.1.16 Paragraph 8 of Schedule 2 shall be **deleted**.

5 **NO WAIVER**

No waiver (whether expressed or implied) by the LPA or the Owner of any breach or default in performing or Complying with any of the obligations, covenants or undertakings contained in this Deed shall constitute a continuing waiver and no such waiver shall prevent the LPA from enforcing any of the said obligations, covenants or undertakings or from acting upon any subsequent breach or default in respect thereof.

6 **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

The Parties do not intend that any term of this Agreement shall be enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not a party to this Deed.

7 **THE LPA’S COSTS**

The Owner agrees that it will pay on completion of this Deed the LPA’s legal costs incurred in the negotiation and completion of this Deed (inclusive of any such costs incurred by external lawyers appointed by the LPA in relation to the negotiation).

8 **JURISDICTION AND LEGAL EFFECT**

8.1 This Deed shall be governed by and interpreted in accordance with the laws of England.

8.2 The provisions of this Deed shall be of no effect until this Agreement has been dated.

9 **EXECUTION AND DELIVERY**

The Parties have executed this Deed as a deed and it is delivered on the date set out at the beginning of this Deed.

IN WITNESS whereof the parties hereunto have executed this Deed the day and year first before written:

EXECUTED AS A DEED (but not delivered) until dated) by affixing the Common Seal of **LONDON LEGACY DEVELOPMENT CORPORATION** in the presence of:)



#50869

A H Wright

EXECUTED as a DEED by **BELLWAY HOMES LIMITED** acting by its attorney [~~Nigel Clasby~~ Duncan Fisher] pursuant to a power of attorney dated 21st May 2024 in the presence of:

BELLWAY HOMES LIMITED by its attorney

Signature of Witness:

Name (in BLOCK CAPITALS):

Address:

Occupation:

Nigel Clasby
Group Head of Legal
Bellway Homes Limited
Woolsington House
Woolsington
Newcastle upon Tyne
NE15 0AR