

F.A.O. Mark Rogers
English Partnerships
Arpley House
100 Birchwood Boulevard
Birchwood
Warrington
WA3 7QH

2 December 2003

P.LF.116433.000100

Dear Sirs,

REPORT ON TITLE

relating to

Weir Pumps site - land and buildings at Ten Acres Lane, Briscoe Lane and Grimshaw Lane, Newton Heath

In accordance with your instructions we have investigated the title to the above property, the freehold interest in which you propose to acquire for development purposes.

We report as follows:

1. DEFINITIONS

In this report the following words and expressions have the following meanings:

“the Property”	the Blue Property, Purple Property, Yellow Property, Pink Properties and the Option Land.
“the Blue Property”	the land shown edged red and coloured blue on Plan 1
“the Purple Property”	the land shown edged red and coloured purple on Plan 2
“the Yellow Property”	the land shown edged red and coloured yellow on Plan 1
“the Pink Property”	the land shown edged red and coloured pink on Plan 5
“the Option Land”	the land shown edged red and coloured green on Plan 3

“the Plans”	the plans numbered 1 to 6 at Annexure 1
“the Seller”	Weir Pumps Limited
“the Buyer”	English Partnerships

2. PROPERTY AND TITLE

- 2.1 The extent of the Property is shown edged red on Plans 1 to 5; these are copies of plans provided to us by the Seller and/or the Land Registry.
- 2.2 The Property is freehold.
- 2.3 Title to the Blue Property is registered under title number GM451769 at HM Land Registry with freehold title absolute. Up to date copies of the entries on title number GM451769 are annexed as Annexure 2. The registered proprietor is Weir Pumps Limited. Please note that the Blue Property forms part only of title number GM451769.
- 2.4 The Option Land forms a further separate part only of title number GM451769. You have agreed to enter into a Put Option with the Seller in respect of the Option Land. Our comments relating to the title of the Blue Property are equally relevant in respect of the title of the Option Land.
- 2.5 The Yellow Property is registered under title number GM82456 at HM Land Registry with freehold title absolute. Up to date copies of the entries on title number GM82456 are annexed as Annexure 3. The registered proprietor is Weir Pumps Limited.
- 2.6 Title to the Pink Property is registered under title number GM624799 at HM Land Registry with freehold title absolute. Up to date copies of the entries on title number GM624799 are annexed as Annexure 4. The registered proprietor is Weir Pumps Limited.
- 2.7 Title to the Purple Property is registered under title number LA19911 at HM Land Registry with freehold title absolute. Up to date copies of the entries on title number LA19911 are annexed as Annexure 5. The registered proprietor is Weir Pumps Limited.
- 2.8 You will note from Plan 1 that the Seller owns two parcels of land which extend along either side of part of Grimshaw Lane, which is a public highway. The part of Grimshaw Lane referred to is shown diagonally hatched black on Plan 1.

2.9 We note from the office copies and filed plans relating to Title Numbers GM451769 and GM82456 that the boundary of each title does not extend to include Grimshaw Lane. Our investigations have revealed that Grimshaw Lane is an adopted highway maintainable at public expense. Accordingly, the City Council "own" the top-soil. The sub-soil appears to be unregistered. Unless any other party can show a proper title to the sub soil, the owners of the land on either side of Grimshaw Lane will be deemed by law to own the subsoil up to the halfway point of Grimshaw Lane. As Weir Pumps Limited own the land either side of Grimshaw Lane it may be assumed that Weir Pumps Limited also own the sub soil beneath Grimshaw Lane.

2.10 If you proceeded with the purchase and "stopped up" Grimshaw Lane in due course, there would then be a rebuttable presumption (as you would own the land either side) that you would own the part of Grimshaw Lane which had been stopped up.

2.11 However, we can not say with certainty that this presumption would not be rebutted by a third party. The Seller may not be deemed to hold the title to the sub-soil beneath the part of Grimshaw Lane. If this is indeed the case, a third party could effectively hold a "ransom strip" over any proposed development you may wish to carry out. The Seller has stated it believes that the rebuttable presumption applies but you should be aware that this may not be the case.

2.12 The Seller is retaining part of title number GM451769 ("the Retained Land"). The Retained Land is shown edged blue and hatched black on Plan 3. When the transfer of the property is completed, various cross-rights and reservations will be granted and reserved between the property and the Retained Land. A copy of the proposed transfer is annexed as Appendix 6, and these rights and reservations are set out in the Transfer. We have discussed these with you separately.

3. EASEMENTS AND COVENANTS

3.1 Rights and covenants benefiting the Property

3.1.1 By a 1924 Conveyance, the Blue Property and the Option Land have the benefit of the following covenants over adjoining land, the extent of which is not precisely identified by the 1924 Conveyance:

3.1.1.1 the unidentified adjoining land should not acquire any rights of way, light, water, sewerage or any other rights or easements over the Blue Property by prescription, and

3.1.1.2 any buildings may be erected on the Blue Property even if they interfere with the rights of light enjoyed by the unidentified adjoining land.

the Seller states that it cannot identify the extent of the adjoining land over which these rights are enjoyed. However, we do not consider this to be a material issue.

3.1.2 By a 1966 Deed, the Blue Property was granted the right to construct a footbridge together with ancillary rights of repair and entry over the adjoining land of the Rochdale Canal Company. The Seller states that the bridge has been removed and we therefore consider that the 1966 Deed is not relevant.

3.2 Adverse rights and covenants affecting the Property

3.2.1 By a 1924 Conveyance, the Blue Property is subject to the following covenants in favour of adjoining land, the extent of which cannot be precisely identified from the 1924 Conveyance:

3.2.1.1 that the Blue Property is not entitled to acquire rights of way, light, water, sewerage or any other rights or easements by prescription

3.2.1.2 that any building whatsoever may be erected on the unidentified adjoining land notwithstanding that it may interfere with the rights of light enjoyed by the Blue Property.

3.2.2 By the 1924 Conveyance, the mines and minerals together beneath the Blue Property are not included within the title. The 1924 Conveyance also reserved the following rights in favour of adjoining land, the precise extent of which cannot be identified from the 1924 Conveyance:

3.2.2.1 to work the mines and minerals beneath the Blue Property

3.2.2.2 to withdraw vertical and lateral support from the Blue Property, subject to the payment of compensation for any resulting subsidence. The Seller does not believe these rights have ever been exercised.

3.2.3 By a 1963 Deed, the part of the Option Land coloured pink on Plan 6 is subject to the following rights in favour of the North Western Gas Board (and its successors in title):

3.2.3.1 to lay and use a gas main (along the position shown on Plan 6 by the red line between the points A and B) at a minimum depth of 2 ft 6 in together with the right to connect from the gas main to distribute gas to any buildings present on the land shown coloured pink on Plan 6.

3.2.3.2 ancillary rights of entry, inspection and maintenance over the land coloured pink on Plan 6. The rights must be exercised so that as little damage as possible is caused to the land coloured pink on Plan 6. Any damage caused must be made good to the reasonable satisfaction of the Option Land owner.

3.2.4 By the 1963 Deed, the Option Land is subject to a covenant in favour of the North Western Gas Board (and its successors in title) not to build:

3.2.4.1 upon the land shown on Plan 6 by a red line

3.2.4.2 over any pipes which lead from the gas main marked by a red line on Plan 6 to any building on the Option Land which is coloured pink on Plan 6.

3.2.5 The Pink Property is subject to any rights, restrictive covenants or rent charges which may have been imposed on it before 29 January 1993. However, the Land Registry state that the deeds and documents of title of the Pink Property (which contained details of any such adverse rights or covenants on the title) have been lost. This makes the identification of any such rights or covenants or rent charges almost impossible. However, although the Pink Property is subject to any rights covenants or rent charges that may exist, the Seller has obtained defective title indemnity insurance against the risk that a claim is made for the breach of an unknown right or covenant.

3.2.6 A copy of the policy is annexed as Appendix 7. Please note the following:

3.2.6.1 The policy limit is £271,171.00 which reflects the existing value and existing use of the Pink Property. It was not possible to obtain a higher limit of indemnity at this stage. However, once

your development plans are known in due course, it is likely that you will be able to increase the policy limit and extend the cover to the proposed development for the payment of an extra premium.

3.2.6.2 The policy benefits you; your successors in title, lessors and mortgagees.

3.2.7 The Option Land has a football pitch upon it which is used by the Park Works Social Club. A letter from the trustees of Park Works Social Club stating they have no rights relating to the use of the football pitch will be made available at completion. We consider that no further action is necessary in this respect.

4. TOWN AND COUNTRY PLANNING

4.1 We attach as Annexure 8 the copies of the planning consents which relate to the existing use of the Property. You will note that there is not any formal planning consent authorising the existing use of the Property. It is likely that the existing use of the Property is authorised by long-user, as the Seller has been in occupation of the Property for many years. Given your development plans and following our discussions with you, we have not requested that the Seller produces a certificate of lawful use to us, or pursued this point further. We have not advised you on any future development planning aspects - please let us know if you would like us to.

4.2 In addition, the following planning information has been revealed by our searches and enquiries of the Local Planning Authority:

4.2.1 no planning enforcement or stop notices have been issued or authorised by the Local Planning Authority with regard to the Property.

4.2.2 no compulsory purchase proceedings have been commenced or authorised.

4.2.3 no part of the Property is listed as being of architectural or historic interest and the Property is not within a conservation area.

4.2.4 no Planning Agreements/obligations affect the Property.

4.2.5 we annex as Annexure 9 a copy of Council Planning Policy EM1-7, which relates to the area in which the Property is located.

5. LOCAL AUTHORITY AND OTHER SEARCHES

5.1 Local authority search

A copy is annexed as Annexure 10. Please note:

- 5.1.1 Ten Acres Lane, Briscoe Lane, Lord North Street and Grimshaw Lane which serve the Property are public highways maintainable at public expense.
- 5.1.2 there are no proposals for any trunk or special roads within 200 metres of the Property and the Council has no proposals of its own for the construction of any new roads or alterations or improvements to existing roads within that distance.
- 5.1.3 there is an outstanding S.78 Building Act 1984 notice affecting the Property which provides that the Property is subject to a charge of £187.70. We understand that you will be responsible for this post-completion.

5.2 Commons registration search

There are no entries affecting this Property in either the Register of Common Land or the Register of Town or Village Greens.

5.3 British Coal Corporation search

The result of this search is annexed as Annexure 11. The Coal Authority indicate that the Blue Property and the Yellow Property are within the likely zone of influence on the surface from past underground mining workings in three seams of coal at 140 metres to 600 metres depth, the last date of working being 1964. The Coal Authority states ground movement from the above mentioned past coal workings should by now have ceased. In addition, the Coal Authority states that the Property is in an area where coal is believed to exist at or close to the surface that may have been worked at some time in the past. Further, a damage notice or claim for alleged subsidence damage was given, made or pursued in May 1986. However, the claim was rejected.

5.4 Drainage search

The result of this search is annexed as Annexure 12. This search shows the location of public sewers and water mains in the vicinity of the Property.

5.5 Highways search

We annex a copy of our enquiries raised and replies received as Annexure 13. Please note that the Council states that the unnamed access road is, in fact, not adopted. However, the remaining section of Grimshaw Lane which is located within the Property is an adopted public highway.

5.6 National Grid search

The result of this search is annexed as Annexure 14. National Grid indicate that any development proposals will not affect National Grid Company Plc apparatus.

5.7 BT search

The result of this search is annexed as Annexure 15. BT indicate that there are no wayleaves in place at the Property.

5.8 Railtrack search

The result of our enquiries are annexed as Annexure 16. This is self explanatory.

5.9 Transco search

The result of this search is annexed as Annexure 17. Transco indicate that it has a pipeline in the vicinity of the Property. Transco indicate that access to the pipeline must not be restricted. Accordingly, this would affect your development proposals and will need to be dealt with in due course.

5.10 British Waterways search

The result of this search is annexed as Annexure 18. There are no entries affecting the Property.

5.11 Electricity search

The result of this search is annexed as Annexure 19. There are no entries affecting the Property.

6. ENVIRONMENTAL

We understand you have carried out extensive site investigations and that you require no further advice in this respect.

7. ENQUIRIES OF THE SELLER

A copy of the enquiries raised and replies is annexed as Appendix 20. Please note the Seller's comments in respect of asbestos, although we do not consider this to be a material cause for concern.

8. CONCLUSION

Subject to the points mentioned above and to obtaining clear title searches on completion, we are of the opinion that the Buyer will acquire a good marketable title to the Property. In accordance with our normal practice, the contents of this report are for the exclusive use of the Buyer and are not to be disclosed to any third party without our agreement.

Yours faithfully,



EVERSHEDS LLP

OFFICIAL COPY OF REGISTER ENTRIES

This official copy shows the entries subsisting on the register on 25 November 2003 at 14:07:37.
This date must be quoted as the 'search from date' in any official search application based on this copy.

Under s.67 of the Land Registration Act 2002, this copy is admissible in evidence to the same extent as the original.

Issued on 25 November 2003.

This title is dealt with by **Lytham District Land Registry**.

Land Registry

Title Number : **GM451769**

Edition Date : 22 July 2003

A: Property Register

This register describes the land and estate comprised in the title.

COUNTY

DISTRICT

GREATER MANCHESTER

MANCHESTER

1. (21 August 1987) The **Freehold** land shown edged with red on the plan of the above Title filed at the Registry and being land and buildings bounded by Ten Acres Lane, Briscoe Lane, and Grimshaw Lane, Newton Heath.
2. There are excluded from this registration the mines and minerals together with ancillary provisions relating to letting down the surface, excepted by a Conveyance of the land in this title dated 2 May 1924 made between (1) The Warden and Fellows of the College of Christ in Manchester (2) The Ecclesiastical Commissioners for England and (3) Mather & Platt Limited.

NOTE:-Copy in Certificate.

3. The Conveyance dated 2 May 1924 referred to above contains a provision as to light or air.
4. The land has the benefit of the rights granted by a Deed dated 7 December 1966 made between (1) Rochdale Canal Company and (2) Mather and Platt Limited.

NOTE: Copy in Certificate.



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Continued overleaf

Page

1

If you need more room than is provided for in a panel, use continuation sheet CS and attach to this form.

1. Stamp Duty

Place "X" in the appropriate box or boxes and complete the appropriate certificate.

It is certified that this instrument falls within category in the Schedule to the Stamp Duty (Exempt Instruments) Regulations 1987

It is certified that the transaction effected does not form part of a larger transaction or of a series of transactions in respect of which the amount or value or the aggregate amount or value of the consideration exceeds the sum of £

It is certified that this is an instrument on which stamp duty is not chargeable by virtue of the provisions of section 92 of the Finance Act 2001

2. Title number(s) out of which the Property is transferred *Leave blank if not yet registered.*

GM451769 – as to the part edged red on the plan annexed

LA19911 – whole

GM624799 – whole

GM82456 - whole

3. Other title number(s) against which matters contained in this transfer are to be registered, if any

4. Property transferred *Insert address, including postcode, or other description of the property transferred. Any physical exclusions, e.g. mines and minerals, should be defined. Any attached plan must be signed by the transferor.*

The three parcels of land at Newton Heath, Manchester edged red on the amended plan.

The Property is defined: Place "X" in the appropriate box.

on the attached plan and shown edged red.

on the Transferor's title plan and shown *State reference e.g. "edged and numbered 1 in blue".*

5. Date

6. Transferor *Give full name(s) and company's registered number, if any.*

WEIR PUMPS LIMITED (Company Registration no. SC33381)

7. Transferee for entry on the register *Give full name(s) and company's registered number, if any. For Scottish companies use an SC prefix and for limited liability partnerships use an OC prefix before the registered number, if any. For foreign companies give territory in which incorporated.*

THE URBAN REGENERATION AGENCY (known as English Partnerships)

Unless otherwise arranged with Land Registry headquarters, a certified copy of the Transferee's constitution (in English or Welsh) will be required if it is a body corporate but is not a company registered in England and Wales or Scotland under the Companies Acts.

8. Transferee's intended address(es) for service (including postcode) for entry on the register *You may give up to three addresses for service one of which must be a postal address but does not have to be within the UK. The other addresses can be*

9. The Transferor transfers the Property to the Transferee

10. Consideration Place "X" in the appropriate box. State clearly the currency unit if other than sterling. If none of the boxes applies, insert an appropriate memorandum in the additional provisions panel.

The Transferor has received from the Transferee for the Property the sum of Two million eight hundred and eighty four thousand three hundred and thirty pounds (£2,884,330)

Insert other receipt as appropriate.

The transfer is not for money or anything which has a monetary value

11. The Transferor transfers with Place "X" in the appropriate box and add any modifications.

full title guarantee limited title guarantee

12. Declaration of trust Where there is more than one Transferee, place "X" in the appropriate box.

The Transferees are to hold the Property on trust for themselves as joint tenants

The Transferees are to hold the Property on trust for themselves as tenants in common in equal shares

The Transferees are to hold the Property *Complete as necessary.*

13. Additional provisions

13.1 **Definitions**

For the purpose of this clause the following words and expressions have the following meanings (unless the context otherwise requires):-

“Access Road” means the road coloured brown on the plan annexed;

“Contamination” the presence, accumulation or escape of any Hazardous Substances at, on, under or from the Property at any time;

“Diversion Costs” means the costs of carrying out Diversion Works;

“Diversion Notice” means notice from either the Transferor or the Transferee as the case may be to the other party stipulating that the person giving the notice is to carry out the Diversion Works;

“Diversion Works” means the diversion of the route of the Conduits whether the Conduits are upon beneath or within the Property or the Retained Land and/or the upgrading/increasing of the capacity of the Conduits;

“EHS matters” all or any matters from time to time relating to the Environment or harm to or the protection of human health and safety or the health of animals and plants;

“Environment” means the environment as defined in s1(2) EPA 1990;

“Environmental Laws” all or any applicable statutes, subordinate legislation, regulations, directives, bye-laws, common law, government circulars, codes of practice, guidance notes, court

orders or decisions of any competent regulatory body insofar as they relate to EHS matters from time to time;

“EPA 1990” means Environmental Protection Act 1990;

“Hazardous Substances” any matter, whether alone or in combination with any other matter, which is capable of causing harm to man or any other living organism or is damaging to the Environment or to public health or welfare, including without limitation radioactive matter, ozone depleting substances and genetically modified organisms;

“Losses” all costs, claims, expenses, damages, liabilities to third parties, losses, demands, judgements, penalties, fines, costs and expenses including (without limitation) the cost of investigating or defending any prosecution or claim imposed on, incurred by or asserted against the Transferor, the costs of any Remediation and the cost of investigatory and monitoring measures;

“Remediation” has the meaning given to such expression in clause 78(A)(7) EPA 1990 provided that for the avoidance of doubt the agreement in clause 13.7 shall apply not only to Remediation required pursuant to Part IIA EPA 1990 but also to Remediation required or carried out pursuant to or to comply with any Environmental Laws from time to time;

“Remediation Provisions” any provisions under any Environmental Laws allowing for or requiring apportionment of liability for costs of Remediation including but not limited to those set out in Part IIA EPA 1990 and in any guidance of the Secretary of State or other appropriate person or body made thereunder from time to time (whether statutory or non statutory);

“Retained Land” means the land edged blue on the plan annexed and references to the Retained Land include the whole and every part of the Retained Land;

“Property” means the land at Newton Heath, Manchester described in box 2 above and references to the Property include the whole and every part of the Property;

“Services” means water gas electricity telecommunications surface water drainage foul drainage fuel oil and other similar services.

13.2 Rights reserved over the Property in favour of the Retained Land

This Transfer is made subject to the following reservations over the Property for the benefit of the Retained Land the Transferee its successors in title and owners and occupiers for the time being of the Retained Land and persons authorised by it:-

Existing Services

- 13.2.1.1 The right to the free and uninterrupted passage and running of Services to and from the Retained Land through Conduits that are now made laid in under through or upon the Property.
- 13.2.1.2 The rights granted in clause 13.2.1 are subject to the right of the Transferee to serve at any time and from time to time one or more Diversion Notices and the right to carry out the Diversion Works specified in any Diversion Notice subject to the owners of the Property:-
 - (a) Causing as little inconvenience as reasonably practicable to the owners of the Retained Land in the exercise of those rights.
 - (b) Making good as soon as reasonably possible the running of Services through the Conduits affected by the Diversion Works and
 - (c) Indemnifying the owners of the Retained Land against any and all losses claims costs

expenses and damages which the owners of the Retained Land may suffer as a consequence of the owner of the Property breaching the covenants set out at (a) and (b) above.

(d) Ensuring that the use of the Services by the owners and occupiers of the Retained Land is not interrupted.

Future Services

13.2.2 Subject always to availability of capacity in the same (with users on the Property being given priority at all times) the right to free and uninterrupted passage and running of Services through Conduits which may at any time during the Perpetuity Period be laid in under through or upon the Property including the right to connect into the same.

Entry

13.2.3 So far as such works are not otherwise reasonably practicable the right for the owner of the Retained Land and those authorised by it in writing to enter and remain upon so much of the unbuilt parts of the Property as is reasonably necessary on not less than 5 working days written prior notice (except in case of emergency) with or without workmen plant and equipment to:-

13.2.3.1 Repair maintain replace renew clean connect to augment and sever connections with any Conduits over which rights are reserved by this Transfer.

13.2.3.2 Repair maintain decorate replace renew and clean any buildings or fences on the Retained Land or boundary fences or party walls between the Retained Land and the Property.

13.2.3.3 Lay further Conduits and apparatus and roads during the Perpetuity Period in accordance with the rights granted in paragraphs 13.2.2 and 13.2.5.

Support

13.2.4 The right of support for the Retained Land and any buildings on it from the Property.

Roads

13.2.5 So far as the Transferee can grant the same a right of way in common with the owners of the Property with or without vehicles of a type consistent with the nature of the development then existing on the Property at all times and for all purposes connected with the use and enjoyment of the Retained Land over and along any roads to be constructed during the Perpetuity Period on the Property together with rights to construct new roads from the Retained Land to the said new roads on the Property.

The benefit of the rights reserved under clauses 13.2.1 and 13.2.3 is subject to the owner of the Retained Land obtaining the prior written consent of the owner of the Property before exercising those rights such consent not to be unreasonably withheld or delayed.

Exercise of the rights reserved under clauses 13.2.1, 13.2.2 and 13.2.5 are subject to the owner of the Retained Land paying to the owner of the Property a fair and proper proportion according to use of the costs of repairing maintaining replacing renewing and cleaning any of the Conduits and roads used in common between the Retained Land and the Property.

The rights of entry reserved by this Transfer over the Property in favour of the Retained Land are subject to the owners of the Retained Land:-

- (a) Causing as little inconvenience as reasonably practicable to the owners of the Property in the exercise of those rights.
- (b) Making good as soon as reasonably possible all damage caused from time to time to the Property to the reasonable satisfaction of the owners of the Property and
- (c) Indemnifying the owners of the Property against any and all losses claims costs expenses and damages which the owners of the Property may suffer as a consequence of the exercise of these rights.

13.3 Rights granted over the Retained Land in favour of the Property

This Transfer is made together with the following rights over the Retained Land for the benefit of the Property:-

Existing Services

- 13.3.1 The right to the free and uninterrupted passage and running of Services to and from the Property through conduits that are now made laid in or under through or upon the Retained Land.
- 13.3.2 The rights granted in clause 13.3.1 are subject to the right of the Transferor to serve at any time and from time to time one or more Diversion Notices and the right to carry out the Diversion Works specified in any Diversion Notices subject to the owners of the Retained Land:-

- (a) causing as little inconvenience as reasonably practicable to the owners of the Property in the exercise of those rights;
- (b) making good as soon as reasonably possible the running of Services through the Conduits affected by the Diversion Works;
- (c) indemnifying the owners of the Property against any and all losses claims, costs, expenses and damages which the owner of the Property may suffer as a consequence of the owner of the Property breaching the covenants set out in (a) and (b) above; and
- (d) ensuring that the use of the Services by the owners and occupiers of the Property is not interrupted.

Future Services

- 13.3.2 Subject always to availability of capacity in the same (with users on the Retained Land being given priority at all times) The right to free and uninterrupted passage and running of Services through Conduits which may at any time during the Retained Land be laid in under through or upon the Retained Land including the right to connect into the same.

Entry

- 13.3.3 So far as such works are not otherwise reasonably practicable the right for the owner of the Property and those authorised by it in writing to enter and remain upon so much of the unbuilt parts of the Retained Land as is reasonably necessary on not less than 5 working days written prior notice (except in case of emergency) with or without workmen plant and equipment to:-

- 13.3.3.1 Repair maintain replace renew clean connect to augment and sever connections with any conduits over which rights are reserved by this Transfer.

13.3.3.2 Repair maintain decorate replace renew and clean any buildings or fences on the Property or boundary fences or party walls between the Retained Land and the Property.

13.3.3.3 Lay further Conduits and apparatus during the Perpetuity Period in accordance with the rights granted in paragraph 13.3.2.

Support

13.3.5 The right of support for the Property and any buildings on it from the Retained Land.

Access

13.3.6 To the extent that the Transferor can grant the same the right at all times and for all purposes to pass and repass with or without vehicles over and along the Access Road to gain access to and from the Property but not for any other purpose PROVIDED THAT the exercise of the access rights is subject to performance by the Transferee of its obligations under clause 13.4.1 (iii) and 13.4.1(v) of this Transfer.

The benefit of the rights reserved under clause 13.3.1 and 13.3.3 is subject to the owner of the Property obtaining the prior written consent of the owner of the Retained Land before exercising those rights such consent not to be unreasonably withheld or delayed.

Exercise of the rights reserved under clauses 13.3.1, 13.3.2 and 13.3.6 is subject to the owner of the Property paying to the owner of the Retained Land a fair and proper proportion according to use of the costs of repairing maintaining replacing renewing and cleaning any of the Conduits and roads used in common between the Property and the Retained Land and for the avoidance of doubt the Transferor in determining the fair and reasonable proportion payable by the Transferee shall inter alia be entitled to take into consideration the extent and nature of the use of the Access Road by any construction traffic and vehicles, the frequency of use of the Access Road by the Transferee and persons authorised by it and any turning manoeuvres carried out by such vehicles.

The rights of entry reserved by this Transfer over the Retained Land in favour of the Property are subject to the owners of the Property:-

- (a) causing as little inconvenience as reasonably practicable to the owners of the Retained Land in the exercise of those rights
- (b) making good as soon as reasonably possible all damage caused from time to time to the Retained Land to the reasonable satisfaction of the owners of the Retained Land and
- (c) indemnifying the owners of the Retained Land against any and all losses claims costs expenses and damages which the owners of the Retained Land may suffer as a consequence of the exercise of these rights.

13.4 Covenants

13.4.1 Covenants by the Transferee

The Transferee covenants with the Transferor (including the Transferor's successors in title to the Retained Land) for the benefit of the Retained Land:-

- (i) With the object of affording the Transferor a full and sufficient indemnity in respect of the covenants contained in the Charges Register of the above titles but not further or otherwise, the Transferee hereby covenants with the Transferor that he will at all times hereafter perform and

observe the said covenants and keep the Transferor indemnified against all actions, claims, demands and liability in respect thereof so far as the same affect the Property and are still subsisting and capable of being enforced.

- (ii) Not to transfer the Property or grant a Lease of the Property or any other estate or interest in it to any person without first ensuring that such person has first executed a deed directly with the Transferor containing a covenant to observe and perform the covenants and provisions of this Transfer including this present covenant.
- (iii) Whilst the Access Road is being used by construction traffic involved in the development of the Property to keep the Access Road free of mud and other debris (including where reasonably required daily cleaning of the Access Road) and to the extent that the Transferee shall be in breach of the terms of this covenant the Transferor may but shall not be obliged to execute such work as may be necessary to put and keep the Access Road free from mud and debris and the Transferee shall pay to the Transferor on an indemnity basis all reasonable and proper costs and expenses reasonably and properly incurred by the Transferor in carrying out such work..
- (iv) Not to park any vehicles on the Access Road or cause any obstruction of the Access Road, to require its contractors and developers to comply with this covenant and to use all reasonable endeavours to procure the observance of this covenant by its developers and contractors.
- (v) Save in relation to construction traffic not to allow the Access Road to be used by any owners or occupiers of any part of the Property until such time as the Access Road has been upgraded to the extent required to render it suitable and adequate to serve the Retained Land and the Property as then developed to the reasonable satisfaction of the local planning authority by and at the cost of the Transferee and the Transferee further covenants with the Transferor to procure that whilst the upgrading works are taking place continued access to the Retained Land shall at all times be available to the Transferor.

13.4.2 Covenants by Transferor

The Transferor covenants with the Transferee (including the Transferee's successors in title to the Property) that in the event that the Access Road is upgraded by the Transferee in accordance with clause 13.4.1(v) to the reasonable satisfaction of the Transferor the Transferor will (subject to the Transferee complying with its obligations under clause 13.3) thereafter maintain and repair the Access Road to the same standard as the Access Road as upgraded by the Transferee.

13.5 Matters to which the Property is subject

The Property is transferred subject to and with the benefit of the matters contained in the Property and Charges Registers of the above title and subject also to but with the benefit of a Lease dated 21 February 2001 between Railtrack Plc (1) and Norweb Plc (2).

13.6 Environmental Provisions

The Transferee acknowledges that:-

- 13.6.1 the Transferor has given the Transferee permission and adequate opportunity to carry out such investigations of the Property as the Transferee considers necessary or desirable for the purposes of ascertaining the state or condition of the Property (including without limitation) whether, and if so to what extent, the Property are affected by any Contamination;
- 13.6.2. this Transfer of the Property is an open market arm's length transaction; and

13.6.3 the Transferor will not retain any interest in the Property or any rights to occupy or use the Property following the date of transfer.

13.7 Agreement on Environmental Liability

13.7.1 The parties unconditionally agree that the Transferee shall be solely and exclusively responsible as between the Transferor and the Transferee for all costs of Remediation arising from or in connection with the presence, accumulation or escape of any Hazardous Substances at, on, or under the Property at any time prior to the date of this Transfer, but for the avoidance of doubt the Transferee will not be responsible for any costs of Remediation arising from or in connection with the presence, accumulation or escape of any Hazardous Substances at, on or under the Property due to any act or omission of the Transferor upon or after the date of this Transfer.

13.7.2 without limiting in any way the generality of clause 13.7.1 it is acknowledged by the Transferee that, without prejudice to the Transferee's entitlements under clause 13.7.6: -

- (a) the Transferee will at its own expense comply with any notice, order or requirement served or otherwise imposed upon the Transferor or the Transferee pursuant to Environmental Laws (including without limitation any statutory notice relating to Contamination which requires any form of investigation, monitoring or Remediation) insofar as such notice, order or requirement relates to the Property or otherwise relates to or arises from Contamination, provided always that nothing in this clause shall prevent the Transferee from appealing against or disputing the validity of any such notice, order or requirement; and
- (b) should any enforcing authority carry out any investigation, monitoring or Remediation and wish to recover its costs from either or both of the parties then as between the parties the sole responsibility for such costs shall rest with the Transferee to the exclusion of the Transferor in accordance with the terms of clause 13.7.

13.7.3 This clause is entered into for the purpose of recording the agreement between the parties that the Transferee shall be responsible for all costs of Remediation in accordance with the terms of this transfer and that liability as between the Transferee and the Transferor shall therefore be apportioned accordingly under any relevant Remediation Provisions (including without limitation the provisions of paragraph D38 of the statutory guidance issued under Part IIA EPA 1990) to the intent and effect that any enforcing authority shall give effect to the agreement of the parties as set out in this clause.

13.7.4 Upon a request being made in writing by the Transferor to the Transferee the Transferee undertakes to notify as soon as reasonably practicable the agreement in this clause in writing to any relevant enforcing authority in such form as the Transferor may reasonably require and to do such further act or thing or execute any further documents as such authority or the Transferor (acting reasonably) may require in order to give effect to the provisions of this agreement.

13.7.5 Any dispute arising between the Transferor and the Transferee concerning this clause or its construction or effect or as to the rights duties and liabilities of the parties hereto shall be referred to a single arbiter (generally experienced in both environmental matters and contaminated land issues) at the request of either the Transferor or the Transferee ("**the Original Request**") for final determination as agreed between the Transferor and Transferee or in default of any such agreement within 14 days of such request by the Transferor or Transferee to be nominated by the President of the Royal Institute of Chartered Surveyors within 14 days of the request made to him. The following provisions of this clause 13.7.5 shall apply to such referral to arbitration: -

- (a) any such reference shall be deemed to be a submission to arbitration within the meaning of the Arbitration Act 1996 or any statutory modification or re-enactment thereof for the time being in force;
- (b) the person appointed as arbiter pursuant to clause 13.7.5 shall deliver his determination to the Transferor and the Transferee within 4 weeks of his appointment or nomination or such longer

period as the Transferor and the Transferee shall mutually agree;

- (c) in the event of a referral to arbitration as provided for in this clause the parties agree and acknowledge that the dispute shall be resolved within a reasonable timescale being not later than 6 months of the date of the Original Request; and
- (d) the Transferor and the Transferee undertake and agree that they will not notify any regulatory authority of any dispute to which this clause relates and that the existence of any dispute or any referral to an arbiter or the progress of or decision of any other matter whatsoever relating to or arising from the arbitration shall be treated as strictly confidential by both parties and shall not be disclosed to any third party.

13.7.6 The Transferor covenants with the Transferee (and the Transferee's successors in title to the Property) that the Transferor shall not take or permit any step, action or omission to be taken which could cause a claim or investigation under Environmental Law to be made against the Transferee and/or the Property unless such step, action or omission:-

- (a) is required as a result of or is in reasonable contemplation of any development or redevelopment of the Retained Land or any part thereof provided always that prior to undertaking any development or redevelopment which could cause a claim or investigation under Environmental Law to be made against the Transferee and/ or the Property pursuant to this Transfer or otherwise, the Transferor shall consult with the Transferee and the Transferor and the Transferee (both parties acting reasonably) shall approve a methodology for carrying out the relevant development or redevelopment in order to minimise the risk of any such claim or investigation being made; or
- (b) is required by law to comply with or respond to any formal written demand or notice of the Environment Agency or their successors or to comply with Environmental Law.

13.8 **Indemnity**

13.8.1 The Transferee undertakes to indemnify and keep indemnified the Transferor and any successor in title to the undertaking and liabilities of the Transferor in respect of any and all costs, claims, expenses, damages and liabilities suffered or incurred by the Transferor arising from any breach by the Transferee of the provisions of clause 13.7.1 - 13.7.5 (inclusive).

13.8.2 The Transferor undertakes to indemnify and keep indemnified the Transferee and any successor in title to the undertaking and liabilities of the Transferee in respect of any and all costs, claims, expenses, damages and liabilities suffered or incurred by the Transferee arising from any breach by the Transferor of the provisions of clause 13.7.6.

13.9 **Agreements and Declarations**

13.9.1 The covenants implied by the Transferor transferring with full title guarantee shall be modified so that for the purpose of Section 6(2)(a) of the Law of Property (Miscellaneous Provisions) Act 1994 all matters recorded in registers open to public inspection are to be considered within the actual knowledge of the Transferee;

13.9.2 The covenants implied by Section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 are varied by the substitution of the words "at his own cost" by the words "at the cost of the person requiring compliance with this covenant;

13.9.3 The covenant implied by Section 3(1) of the Law of Property (Miscellaneous Provisions) Act 1994 shall not extend to any charge incumbrance or other right which predates the transfer or conveyance of the Property to the Transferor and shall be modified by the deletion of the words "and could not reasonably be expected to.

13.9.4. The Property will not, by virtue of this Transfer, have any rights easements or other benefit of any other matters over the Retained Land other than those expressly mentioned in or granted by this Transfer and the provisions of Section 62 of the Law of Property Act 1925 will not apply to this Transfer.

13.10 **Restriction**

The Transferor and the Transferee hereby apply to the Chief Land Registrar to enter in the Proprietorship Register of the title for the Property the following restriction:-

“No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge is to be registered unless there is furnished to the Registrar a certificate signed by the solicitor for the transferee certifying that the provisions of clause [] of a Transfer dated [] between Weir Pumps Limited (1) and English Partnerships (2) have been complied with.”

14. **Execution** *The Transferor must execute this transfer as a deed using the space below. If there is more than one Transferor, all must execute. Forms of execution are given in Schedule 9 to the Land Registration Rules 2003. If the transfer contains Transferee's covenants or declarations or contains an application by the Transferee (e.g. for a restriction), it must also be executed by the Transferee (all of them, if there is more than one).*

EXECUTED as a Deed by WEIR PUMPS LIMITED)
acting by two Directors or by a Director and the)
Secretary:-)

..... Director

..... Director/Secretary

EXECUTED (but not delivered until the date hereof)
As a Deed by the affixing of the common seal of the)
URBAN REGENERATION AGENCY (known as)
English Partnerships) in the presence of:-)

..... Director

..... Director/Secretary