

Notes for Guidance

Persimmon Homes Limited

Development at Land to the east of Southfield Farm Frome Somerset BA11 5LB – “Edmund Park”

1 General

The following information is given for the guidance of solicitors to assist them in discussing the Agreement and Lease with their clients. This document does not form part of the Agreement and whilst the information is believed to be correct, accuracy is not guaranteed and it does not alleviate the necessity for Buyers to make appropriate searches, enquiries and inspections. We shall of course be pleased to deal with any further enquiries solicitors may have but would ask that any enquiries are raised within 2 weeks of submission of the documentation.

The information is given on behalf of Persimmon Homes Limited ('the Developer').

2 The Development

The development is situated on land to the east of Southfield Farm Frome and it comprises residential development for up to 450 dwellings, land for a school and pre-school provision in the form of a children's nursery, with associated infrastructure, roads, drainage and landscaping, new walking, cycling and recreational routes; vehicular access via the construction of a new road off the existing supermarket access road, together with retained vehicular access to properties at Southfield Farm. A copy of the outline planning permission is published (Number 2013/1635) and further planning information is available on Mendip Council's website.

The Developer is currently marketing 204 plots. These are private houses and flats some of which will be sold under the Charles Church brand.

Some of the plots may be affordable homes. These are shown in the brochure. The seller reserves the right to alter the allocation of these social housing plots and there may be further plots allocated as the development progresses.

A residents management company has been incorporated by the developer with the object of providing for future maintenance and management of public open space roads and other communal facilities benefiting the new estate development as a whole (where such open space roads and facilities are not adopted as maintainable at the expense of the local authority). The management company is St Edmunds (Frome) Management Company Limited (Company Registered Number 10598162). Copies of the Certificate of Incorporation and Memorandum and Articles of Association are in the contract pack. The managing agents currently instructed on behalf of the management company are Remus Management Limited, (Company Registered Number 02570943 Registered office Fisher House 84 Fisherton Street, Salisbury SP2 7QY).

3 Reservation Agreement

The prospective Buyer will have entered into the Developer's form of reservation agreement. This reserves the plot for the period as stated on reservation or as indicated in our initial covering letter.

4 Local Search and Planning

Your local search may reveal a number of planning entries not all of which may be relevant to the current development. Copies of the relevant permissions under which the development is being carried out are supplied. Our client will comply with the conditions as the development progresses such that by the end of the development all planning conditions will have been complied with.

The Planning Permissions contained in the contract pack are Number 2013/1635) (the Outline Planning Permission) and Number 2016/0332/REM. Other planning information and Discharges of Conditions are available from Mendip Council's website.

Also published is the Agreement made under Section 106 of the Town and Country Planning Act 1990 dated 22 December 2014. This is the Agreement which relates to the Outline Planning Permission.

There is an Agreement made on 11 February 1999 under Section 106 of the Town and Country Planning Act 1990 which relates to the Access Road to the site and a copy of this is published together with Completion Certificates and a Unilateral Deed dated 16 October 2001 (registered under Title WS30828).

It is the intention of the Developer that the Access Road will be adopted up to the boundary of the Developer's registered title. We have published the Somerset County Council Highway Plan at section 6 of the extranet.

5 Specifications and Approved Plans

Copies of the specifications and approved plans referred to in the Contract are available for inspection at the sales office or by contacting Persimmon. We do not hold detailed plans of the development and if the Buyer or their solicitors require details of drainage routes or specific services details materials etc they should arrange to inspect the appropriate plan at the sales office. Buyers should also note that the plans incorporated in the sale brochures are illustrative only and are not detailed plans approved by the local authority. The plans initially supplied are for the purpose of enabling the buyers and their solicitors to locate the approximate position of the plots within the development. The Developer does not warrant that the area to be transferred or to be conveyed will be precisely the same as that shown in the brochure but it will ensure that the area will be substantially the same. No contractual liability shall be attached to the Developer by reference to the identification plan in the brochure.

6 Compliance with Planning Permissions and Building Regulations

The Developer has or will comply with all conditions contained in the planning documentation, subject to any variation/ amendment that may from time to time be agreed with the local planning authority prior to the completion of that part of the development.

7 New Homes Warranty

The properties on this development will be constructed with the benefit of a Building Control and Warranty which is presently planned under the NHBC Scheme. A list of the NHBC policy numbers and activation codes will be in the contract pack (when available). Please also see the notes provided by the NHBC with the list which explains the procedure for registration.

Please log into the NHBC 'Manage Buildmark Acceptances' system before exchange of contracts to confirm that Buildmark is available. On exchange of contracts you must enter the relevant information to activate the cover before completion. Following completion you must log back into the NHBC system to complete the remaining details and this will activate the cover. You will then be able to download and print the Insurance Certificate.

Before completion, as provided for in the Contract, a copy of the CML/NHBC cover note will be forwarded. We will publish the NHBC Initial Notice, and Acceptance of the Initial Notice.

8 Services

The properties will connect to mains water drainage gas and electricity. The services in some cases pass through other properties on the estate and please refer to documentation supplied as to the rights enjoyed in this respect. Plans showing the proposed routes of the utilities are published where available but the Buyers should be aware that these routes may be subject to variations. It is the Buyer's responsibility to make the necessary applications to the supply companies to be connected to the property. These application forms will usually be available from the sales office but if not will be available from the providers themselves.

9 Roads and Footpaths

The nearest existing public highway giving access to the development are shown on the search results made by the Developer and a copy is provided in the contract pack but it is the Buyer's responsibility to carry out its own local search. There is an Agreement dated 2 October 2015 made under s.38 and s.278 of the Highways Act 1980 and under s.106 of the Town and Country Planning Act 1990 which is published in the buyers pack. This shows the extent of the access road which is also identified on the Conveyance plan which has been adopted.

The estate roads being constructed by Persimmon are to be private roads and will form part of the managed areas which will be maintained by the Management Company under the terms of the leases. As will be seen from the Contract plans some of the access drives within the development will be owned and maintained by plot owners. The lease contains the necessary rights of way over these access roads.

10 Sewers

Certain sections of the foul and surface water sewers may be the subject of adoption agreements made pursuant to Section 104 of the Water Industry Act 1991 between our client and the sewage undertaker. Technical approval has been given and this, together with the layout plans, is in the contract pack.

It is Persimmon's policy not to agree retentions in this regard and the buyer must rely on the covenant given by them in the Transfer to make up and construct the sewers to an adoptable standard. The agreements are expected to be based on the sewage undertaker's standard form and you may be supplied with a précis rather than a full copy of the agreement if concluded. Sections of drains and sewers connecting to the adoptable sewers will remain private in the usual way. Again the rights are contained in the lease.

11 Contract

This is a standard form for the development and therefore no material amendments will be agreed. Persimmon has adopted the **Consumer Code for Home Builders** ("the Code") (the Code is not applicable for sales to companies or partnerships or for investment) and the terms of the Code are incorporated in the Contract.

Any bonus/ incentive negotiated upon reservation will be inserted into the Contract upon exchange of contracts. This includes any payment by the Seller of any of the Buyers expenses and or other concessions whatsoever made by the Seller. It is therefore necessary for your clients lender to be made aware of the bonus/incentives and it might be helpful for us to remind you that the engrossments of all transfers and leases will reflect this by showing the net price (after deduction of all quantifiable incentives).

If at the time of exchange of contracts the property is substantially complete our client will be prepared to agree a fixed date and this can be inserted in the contract schedule otherwise the notice provisions as set out in the Contract will apply. Although the Contract gives the likely date for completion under the Code (not applicable to investors) the buyers should be warned that weather and other matters beyond Persimmon's control make the time for construction difficult to predict. Under the Code the Buyer has the right to end the contract if there are substantial and significant changes to the design or construction of the plot or there is unreasonable delay in construction as defined in the Contract and the Contract deposit and reservation fees will be returned in full to the buyer.

12 Lease

The form of Lease is to be standard for all the properties on Persimmon's development and will be approved by the Land Registry for use on the development. We regret therefore that no material amendments will be agreed. Following exchange of contracts we will prepare engrossments of the Lease and counterpart.

We should at this point reiterate that in order to respect the requirements of the Law Society's Green Card (Property Fraud) the figure to be inserted as the consideration in all transfers and leases will be the net figure after making allowance for all incentives of whatever kind given by the Seller ie: the figure used will be the true amount being paid by the Buyers to the Seller (including any mortgage advance of course but specifically excluding all incentive amounts) which will encompass also expenses reimbursements.

Leasehold properties will be liable for ground rent and service charges payable and an apportioned amount will be collected on completion.

13 Exchange of Contracts

The Contract, Transfer/Lease and plan together constitutes the purchase contract and therefore should remain intact.

Prior to exchange would you please let us know the full name of your client (if not already noted in the Contract) and where there is more than one Buyer indicate the Trusts on which the Buyer will take the property so that we can then provide for this in the engrossment. If no indication is given we will assume the joint Buyers wish to hold the property as beneficial joint tenants.

Where the Code is applicable (not investor buyers), the buyers' conveyancers must advise us **at least 5 days before exchange** of contracts if there are **any spoken statements** the buyer is relying on and any agreed spoken statements should be annexed to both parts of the Contract and initialled by the parties to avoid future disputes. Please can you ensure that any spoken statements are advised to us at the outset to avoid any hold up in exchange.

The deposit should be paid by Solicitors client account cheque or by bank transfer. If any other form of cheque is tendered the right is reserved to charge to the Buyer any special clearance fee charge by our bank.

Please note that our client's normal policy requires payment of a full 10% deposit on exchange of contracts.

Our client appreciates however that there are sometimes circumstances where it may be difficult for a buyer to arrange to full 10% and if this is the case, please let us know as soon as possible so that we can take our clients instructions.

14 Completion

Unless a fixed completion date has been incorporated in the contract a completion will be instigated by the notice procedure as detailed in the Contract.

Any proposed completion dates given by our client other than by such notice to complete are estimates only. It is of course not always feasible to give out estimates of when the property under construction will be completed and it must be understood that programme dates given by us, the selling agents or the developer are estimates only. Unless a fixed completion date has been agreed in the contract the Buyer should thus rely on our notice to you of when the property is physically complete and ready for inspection or anticipated to be so. The Buyer (and if appropriate the mortgagees valuer) should carry out an inspection. Please refer to the Contract as to the arrangements for completion generally but please note in particular that we will not agree delays in completion if the CML Certificate has been issued.

Once the notice has been served on the Buyer any final inspection should be carried out. Please note that we will not delay completion because of any delay and inspection by the Buyer or the Buyer's mortgagees.

We will provide a completion statement. Please note the amount will include an engrossment fee (see Contract).

Under no circumstances will be the Buyer be allowed in to possession or allowed access for the storing or fitting of furniture or effects before legal completion.

Completion should be effected by telegraphic transfer to Clarke Willmott LLP's client account as follows:

HSBC Bank plc, 62 George White Street, Cabot Circus, Bristol BS1 3ER

Sort Code: 40-14-13

Account No: 12535572

Please quote the reference given on the completion statement.

The keys will be handed over and released to the Buyer when the Bank has notified receipt of the required monies.

15 Insurance

The property will be insured by the Seller until legal completion under its block building company policy. It is therefore not practicable to arrange the endorsing of memoranda of the interest of individual buyers and mortgagee's pending completion. Liability for insurance will fall on the Buyers from legal completion save where the property comprises a flat within a larger block where insurance will be dealt with under the terms of the Lease.

16 Postal Addresses

A list is or will be (when available) provided in the contract pack.

17 Building Programme

We are not kept informed of the build programme and your clients should liaise direct with the sales office in respect of their plot.

19 Title

Title Number WS74606

The title was transferred to the Developer on 4 December 2015. A copy of the Transfer dated 04.12.2015 to the Developer is in the contract pack.

The land has the benefit of but is subject to rights which are set out in full in the Registers. Copies of all Deeds referred to are in the contract pack.

The plots now being sold are within the area which is shown coloured yellow on the Title Plan.

Rights benefitting

The site has the benefit of rights of way and rights to install maintain and repair the usual service media in the road leading to the site together with the right (subject to any rights of the relevant highway authority) to the free and uninterrupted passage of water, soil, gas, electricity and telecommunications services through the conduits.

Rights burdening

Wayleaves

There are wayleaves crossing the site in favour of The Southern Electricity Board (or its statutory predecessor, "The Wessex Electricity Company") which appear from the plans attached to be in respect of the same overhead electricity lines, but SSE has agreed to divert the existing overhead lines below the estate roads to be constructed on the development and for the wayleaves to be surrendered.

Other Rights

The owners of the existing residential development to the south west at Southfield Farm enjoy a right of way over an existing road crossing the site and the right to maintain a water pipe across the site, both of which they are currently exercising. The rights are subject to lift-and-shift provisions capable of exercise by the developer, but the intention of the developer is that these owners will continue to use the existing road. The developer is currently in the process of utilising the lift-and-shift rights to divert the water main out of the main development area and it will be contained within the footpath of the access road and the verge of the track leading to Southfield Farm.

The rights affect that part of the site which is shown coloured mauve on the Title Plan ("the mauve land") and are granted by virtue of the Conveyance dated 16.04.1985. The land expressed to take the benefit of these rights now comprises a small residential development registered under 17 separate title numbers.

The solicitors who acted on the acquisition of the site advised that by virtue of 15 separate deeds (one of which deals with 3 of the 17 title numbers referred to above) all dated between October 2000 and July 2002 (and all in substantially the same form and filed against the title to the mauve land) the rights were released and varied in consideration for the grant of a right of way and a right to draw water through a pipe.

The substation has been constructed on the part of the site shown coloured mauve on the title plan and the surface water sewers leading to the attenuation ponds in this area are currently being constructed.

Restrictive covenants on the Developer's Title

The Property is subject to a restrictive covenant (imposed by Transfers of adjoining land dated 24 December 2003) for the benefit of adjoining land owned by McLagan that no part of the Property shall be used or caused or suffered or permitted to be used for the retail or wholesale of food, soft drinks, confectionery, tobacco or intoxicating liquor or as a petrol filling station, pharmacy, post office or drycleaners.

This restrictive covenant is subject to declaration that it shall not prevent any unit or units constructed being used wholly or primarily for any purpose within Class A3, C1 and/or D2 of the Town & Country Planning (Use Classes) Order 1987.

The Index sets out the procedure for compliance with the restriction (B3) in favour of Clarke Willmott Trust Corporation Limited. The Buyer's solicitors can provide the Certificate.

The restriction at B4 does not affect plots 14-159 inclusive and 191-201 inclusive.

A Consent to Lease has been lodged at Land Registry in respect of the Charge dated 4.12.2015 which will allow consent to the grant of the House Leases.

The restriction at B5 referring to the provisions of Clause 12.4.2 of the Transfer dated 28.09.15 only affects the part edged blue on the title plan so does not affect the plots.

20 Historic Searches

Local Search

The local search obtained 07.10.2014 prior to the Developer's acquisition is in the contract pack.

Utilities

The contract pack contains all the searches carried out by the Developer prior to its acquisition which include searches of the Index of Franchises and Manors, National Grid, Instalcom, Highways Agency, BT Openreach, Atkins telecoms, Wessex Water Commercial Drainage and Water Enquiry, The Coal Authority, Wales & West Utilities search, Scottish & Southern Energy search and HS2.

Chancel Check

The Certificate obtained prior to the Developer's acquisition (dated 17 September 2014) is in the contract pack. This certifies that based upon historical parish and tithe district boundaries, third party data and the relevant documentation found at National Archives, that the site is within a tithe district or Parish that has no record of risk of chancel repair liability.

Radon Report

The search obtained prior to the Developer's acquisition is in the contract pack. This showed that no radon protective measures are required for the report area.

Environmental

The desktop Environmental Search carried out prior to the Developer's acquisition (dated 22 September 2014) is in the contract pack.

Flood Risk Assessment

We have published the desktop Flood Risk Report dated 22 September 2014.

21 Other Matters

22 Boundaries

Ownership of various boundaries is shown on the contract/transfer/lease plan by way of "T" marks.

Where a wall of a dwelling or garage on the plot is erected against the boundary and is linked to the garage and dwelling on an adjoining plot the wall in question will be party.

Where a wall of any dwelling or garage on the plot is erected against the boundary and is freestanding i.e. without any dwelling or garage on the adjacent plot being linked to it that wall will belong to the plot.

23 Land Registry Search

The relevant District Land Registry is Gloucester District Land Registry

When we receive approval of the Estate Plan this information will be published and added to the Index under section 9 - Development Layout Plan and Land Registry Approval.

The garages and parking spaces have been given the prefix 'G' and 'P' respectively. Please ensure that the full description of the property is quoted on form OS2. e.g. plot 86 and P86

The above information is given on behalf of the Seller, Persimmon Homes Limited, and without responsibility on the part of its solicitors their partners or employees. It is believed to be correct but the accuracy is not guaranteed and does not oblige the necessity to make appropriate searches enquiries and inspections.

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