

**DATED**

XXXXX 2012

**DEED OF ASSIGNMENT OF LOAN**

between

**STREET (UK) HOMES LIMITED**

and

**REDDITCH BOROUGH COUNCIL**

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THIS DEED is dated xxxxxx 2012

## **PARTIES**

- (1) STREET (UK) HOMES LIMITED incorporated and registered in England and Wales with company number 04076829 whose registered office is at 1<sup>ST</sup> Floor, 12-14 Regent Place, Hockley, Birmingham B1 3NJ (Assignor).
- (2) REDDITCH BOROUGH COUNCIL of Town Hall, Walter Stranz Square, Redditch, B98 8AH (Assignee).

## **BACKGROUND**

- (A) The Assignor entered into a contract with Birmingham City Council as the accountable body for the West Midlands Kick Start Partnership (“the Programme”) to provide fund management services in relation to the Programme including entering into the Loan Agreements with the Borrowers listed in Schedule 1 on behalf of the local authorities participating in the Programme, of which the Assignee is one such local authority.
- (B) Due to the cessation of central government funding, the Programme is being dissolved and administration of the Assignee’s portfolio of loan products created as part of the Programme is to be transferred to the Assignee.
- (C) The Assignor has agreed to assign all its legal and beneficial right, title and interest in the Debt and the Loan Agreements to the Assignee on the terms and conditions set out below.

## **AGREED TERMS**

### **1. DEFINITIONS AND INTERPRETATION**

- 1.1 The definitions and rules of interpretation in this clause apply in this deed.

**Accountable Body:** Birmingham City Council.

**Assignment Date:** the date of this deed or any later date agreed in writing by the parties to this deed.

**Borrower(s):** The borrowers under each of the Loan Agreements as listed in Column (3) of Schedule 1.

**Business Day:** a day (other than a Saturday or a Sunday) on which commercial banks are open for general business in London and deposits are dealt with on the London Interbank Market.

**Debt:** any present or future liability (actual or contingent) payable or owing by any of the Borrowers to the Assignor under or in connection with the relevant Loan Agreement.

**Loan Agreement(s):** The loans comprised in the loan portfolio as listed in Schedule 1.

- 1.2 Clause, Schedule and paragraph headings shall not affect the interpretation of this deed.
- 1.3 A reference to **this deed** (or any provision of it) or any other document shall be construed as a reference to this deed, that provision or that document as it is in force for the time being and as amended, varied or supplemented from time to time in accordance with its terms, or with the agreement of the relevant parties.
- 1.4 A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality) and that person's personal representatives, successors or permitted assigns.
- 1.5 The Schedules form part of this deed and shall have effect as if set out in full in the body of this deed. Any reference to this deed includes the Schedules.
- 1.6 A reference to a **company** shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- 1.7 Unless the context otherwise requires, words in the singular shall include the plural and in the plural include the singular.
- 1.8 A reference to any party shall include that party's personal representatives, successors, permitted transferees and permitted assigns.
- 1.9 A reference to writing or written includes faxes but not e-mail.
- 1.10 References to clauses and Schedules are to the clauses and Schedules of this deed.
- 1.11 Any phrase introduced by the terms **including, include** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

## 2. **ASSIGNMENT**

2.1 Subject to the terms of this deed, the Assignor unconditionally, irrevocably and absolutely assigns to the Assignee all the Assignor's rights, title, interest and benefits in and to:

- (a) the Debt; and
- (b) the Loan Agreements.

with effect from the Assignment Date.

2.2 The Assignee agrees that it shall accept the assignment referred to in clause 2.1.

2.3 On the Assignment Date the Assignor shall make available to the Assignee any and all documentation and data relating to each Loan Agreement including without limitation:

- (a) Scanned copies of the original Loan Agreement and related loan documentation; and
- (b) Static and transactional data in the agreed form in relation to each of the Loan Agreements as at the Assignment Date.

## 3. **INVESTIGATION AND RELIANCE**

3.1 On the date of this deed and the Assignment Date, the Assignor represents and warrants to the Assignee that:

- (a) it is a duly incorporated limited liability company validly existing under the law of its jurisdiction of incorporation;
- (b) it has the power to own:
  - (i) the Debt; and
  - (ii) the rights and benefits under or in respect of each Loan Agreement

and carry on business as it is being conducted;

- (c) it has the power and authority to execute, deliver and perform its obligations under this deed and each Loan Agreement and the transactions contemplated by them;
- (d) it is the legal and beneficial owner and has good title to:
  - (i) the Debt; and
  - (ii) the rights and benefits under or in respect of each Loan Agreement

and no security interest or other encumbrance (including any rights of set off) exists, or may exist as a result of any arrangement or agreement, over the Debt or the rights and benefits of the Assignor under or in respect of any Loan Agreement;

- (e) other than any events of default agreed with the Accountable Body as part of the demobilisation of the fund management service provided by the Assignor to the Accountable Body, no event of default under any of the Loan Agreements has occurred, is continuing or will occur as a result of the assignment to be effected by this deed and no decision has been taken by the Assignor to accelerate or enforce its rights under any Loan Agreement;
- (f) it is not in breach of any of its obligations in relation to any Loan Agreement; and
- (g) all rights, benefits and obligations which the parties have agreed to assign or transfer to the Assignee under this deed are capable of being assigned or transferred.
- (h) there are no pending or ongoing legal actions in relation to any of the Loan Agreements.

#### **4. NOTICE**

The Assignee shall execute and deliver to each of the Borrowers a notice of assignment of the relevant Loan Agreement within 20 Business Days of the date of this deed.

#### **5. RELEASE**

The parties agree that from the Assignment Date the Assignor no longer has any rights in relation to the Debt and the Loan Agreements.

#### **6. INDEMNITY**

The Assignor shall indemnify and hold the Assignee harmless against any losses, damages or costs the Assignee suffers or incurs arising out of, relating to, or in connection with the Assignor's failure to state the minimum repayment amount in the original documentation relating to any of the Loan Agreements provided that:

- (a) Recovery of such losses, damages or costs under this clause 6 shall include any shortfall between the amount of the equity share under the relevant Loan Agreement based on a current

market valuation of the property which is the subject of the security for the Loan Agreement; and

- (b) The Assignor shall be entitled to obtain at its own cost and expense an independent valuation of any secured property as described in clause (a) above and in the event that the Assignee disputes such valuation a valuation carried out by the District Valuer will be final. Each party shall bear its own costs in relation to the District Valuer's valuation.

**7. COSTS AND EXPENSES**

- 7.1 Each party shall pay its own costs and expenses incurred in connection with the negotiation, preparation, execution, registration and performance of this deed (and any documents referred to in it).

**8. FURTHER ASSURANCE**

Each party shall do, or procure the doing of, all acts and things and execute, or procure the execution of, all documents as may reasonably be required to give full effect to this deed including without limitation any transfer and registration at the Land Registry of any mortgage or security relating to any of the Loan Agreements.

**9. THIRD PARTY RIGHTS**

A person who is not a party to this deed cannot enforce, or enjoy the benefit of, any term of this deed under the Contracts (Rights of Third Parties) Act 1999.

**10. GOVERNING LAW AND JURISDICTION**

- 10.1 This deed and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of England and Wales.
- 10.2 The parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this deed or its subject matter or formation (including non-contractual disputes or claims).

### Schedule 1 Loan Agreements

<b>(1) Date</b>	<b>(2) Loan Amount</b>	<b>(3) Borrower Name</b>	<b>(4) Security Address</b>
17/01/2012	24500		Second Charge
04/08/2011	11124.27		Second Charge
21/11/2011	40080		Second Charge
02/06/2011	2988.4		Second Charge



This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it

Executed as a deed by STREET  
(UK) HOMES LIMITED acting  
by [NAME OF FIRST  
DIRECTOR], a director and  
[NAME OF SECOND  
DIRECTOR OR SECRETARY],  
[a director **OR** its secretary]

.....  
[SIGNATURE OF FIRST  
DIRECTOR]  
Director

.....  
[SIGNATURE OF SECOND  
DIRECTOR OR SECRETARY]  
[Director **OR** Secretary]

THE COMMON SEAL OF  
Redditch Borough Council was  
hereunto affixed in the presence  
of:

.....  
[AUTHORISED SIGNATORY]