

PROPOSAL FOR OWNERS AT COLUMBUS POINT

10 February 2014

Background.

- A. The proposal set out below largely restates the proposal made to owners in Autumn 2013. The new elements are contained in section 5 below; paragraph 2.3 extends the period of written off costs.
- B. The dates for satisfaction of the various stages are deliberately left blank below; if the owners provide the confirmation indicated in section 4.1 below, Aria and CPMCL will confirm the further key dates for satisfying the conditions.
- C. No deferment of the court action that has been intimated to owners is offered; if the owners wish to proceed with the proposal, satisfaction of the conditions will need to be progressed at the same time as the court action proceeds. If the conditions are satisfied any ongoing court proceedings against participating owners would be settled by a consent order recording full and final settlement.

The Proposal

- 1 The proposal is made on a without prejudice and subject to contract basis and is strictly subject to the condition and satisfaction of the stages set out below. In other words, it cannot be referred to in any future court proceedings and no part of the proposal is binding in any way until the condition and all the stages have been satisfied.
- 2 If the condition and all the stages are satisfied:
 - 2.1 Aria homes (part of Persimmon group) will pay £150,000 into CPMCL; and
 - 2.2 Both Aria Homes and CPMCL will waive the service charges that have been demanded to date; and
 - 2.3 Aria Homes will bear the further costs that will be incurred maintaining the Water Feature up until 30 April 2014; and
 - 2.4 CPMCL will be handed over to the owners who are Members of the company; and
 - 2.5 The freehold of the Water Feature will be transferred to CPMCL.
- 3 The Condition
 - 3.1 By the long-stop date of [date TBC] 2014, 295 New Deeds of Covenant (80% of the 369 relevant owners) in the forms previously provided by Clarke Willmott LLP to owners will need to be executed by the relevant owners and delivered to Aria's solicitors.
- 4 The Stages
 - 4.1 By 28 February 2014 the representatives of the Water Feature Action Group and Columbus Point Residents' Association shall confirm in writing:

- 4.1.1 that they wish to proceed with the proposal subject to the condition and the stages;
and
 - 4.1.2 their understanding of the number of owners within their associations who also agree in principle to the proposal. The stated understanding will be supported by evidence of the number of owners who support the proposal.
- 4.2 Aria will then consider whether sufficient support has been shown by owners to make further progress viable. Aria will confirm within 14 days whether the proposal will proceed and will confirm the stage dates for the purposes of 4.3 – 4.5 below and the long stop date for 3.1 above.
- 4.3 If such confirmation is given by Aria, the long stop date for the owners' satisfying the condition will be [date TBC].
- 4.4 There will be a progress review date on [date TBC], when the owners (or solicitors instructed by them) will confirm how many owners have by that date signed New Deeds of Covenant. Either party may withdraw from the proposal if more than 150 New Deeds of Covenant have not been signed by that date.
- 4.5 If the proposal proceeds after the review date, the final date for satisfaction of the condition shall be [date TBC].
5. Persimmon Homes shall fund the following works as a goodwill gesture (for the avoidance of doubt the costs incurred in the works will not be included in the service charge):
- 5.1 Cleaning of the coping stones;
 - 5.2 Replacement of three aging pumps;
 - 5.3 Rectification of path lighting surrounding the feature.