



INVESTMENT TERM SHEET

Recipient:	Alderley Park Limited
Project Name:	Glasshouse
Amount of Investment:	£3,873,000
Purpose:	Phase 2 of the development of 13,656 sq m (146,938 sq ft) of grade B+ office space on the Alderley Park campus
Funding:	Growing Places Fund
Repayment:	From Enterprise Zone Retained Business Rates in connection with the Project, with a restriction on the Recipient utilising any rate mitigation schemes.
Length of time site must be maintained to Approved Use:	10 years
Key Milestones:	The Recipient is obliged to adhere to the following key milestones within the project: (a) Longstop start date within 12 months (i.e. drawdown of first claim) (b) Practical Completion within 3 years of start date
Drawdown of the Claim:	Monthly claims on a £1:£1 basis up to the agreed Investment level, against various pre-conditions, including: (a) Funder satisfaction with Project Costs at letting of construction contract (b) Funder satisfaction of the State Aid position (c) Funder satisfaction with any third party funding (d) Recipient has obtained the necessary consents (e) Funder satisfaction with the form of guarantee
Overage:	An overage payment is payable by the Recipient, which is calculated on the sale price or market valuation at an agreed calculation date as follows: (a) Parties agree project costs (b) Parties agree priority return to investor 25% IRR (c) The Funder then achieves 50% of the Overall Surplus after those deductions. (d) Overage is payable on the earlier of Disposal, 5-years after Practical Completion or once the Funder's Investment has repaid via retained business rates.
Permitted Changes:	Any and all changes must be approved by the Funder via a Project Change Form.
Permitted Disposal:	APL have the right to dispose of part of/the site (without overage kicking in) for leases under 35 years
Security:	A guarantee is to be provided by Bruntwood Science Limited.

Events of Default/Clawback:	The Recipient will be required to repay the monies in the following events: (a) Any finding of State Aid breach (b) Lack of progress towards Milestones and Targets (c) Material Changes to the Project (d) Usual insolvency provisions
State Aid:	The Recipient is responsible for ensuring that the Project is provided in accordance with State Aid Law.
Monitoring:	Recipient to submit monthly monitoring returns with any investment claims until the end of the Investment Period, after which they will submit an annual monitoring return for the remaining Project Duration (10-years).
Boilerplate:	The document contains the usual provisions and protections regarding Freedom of Information, Bribery Act and Confidentiality for this form of transaction.