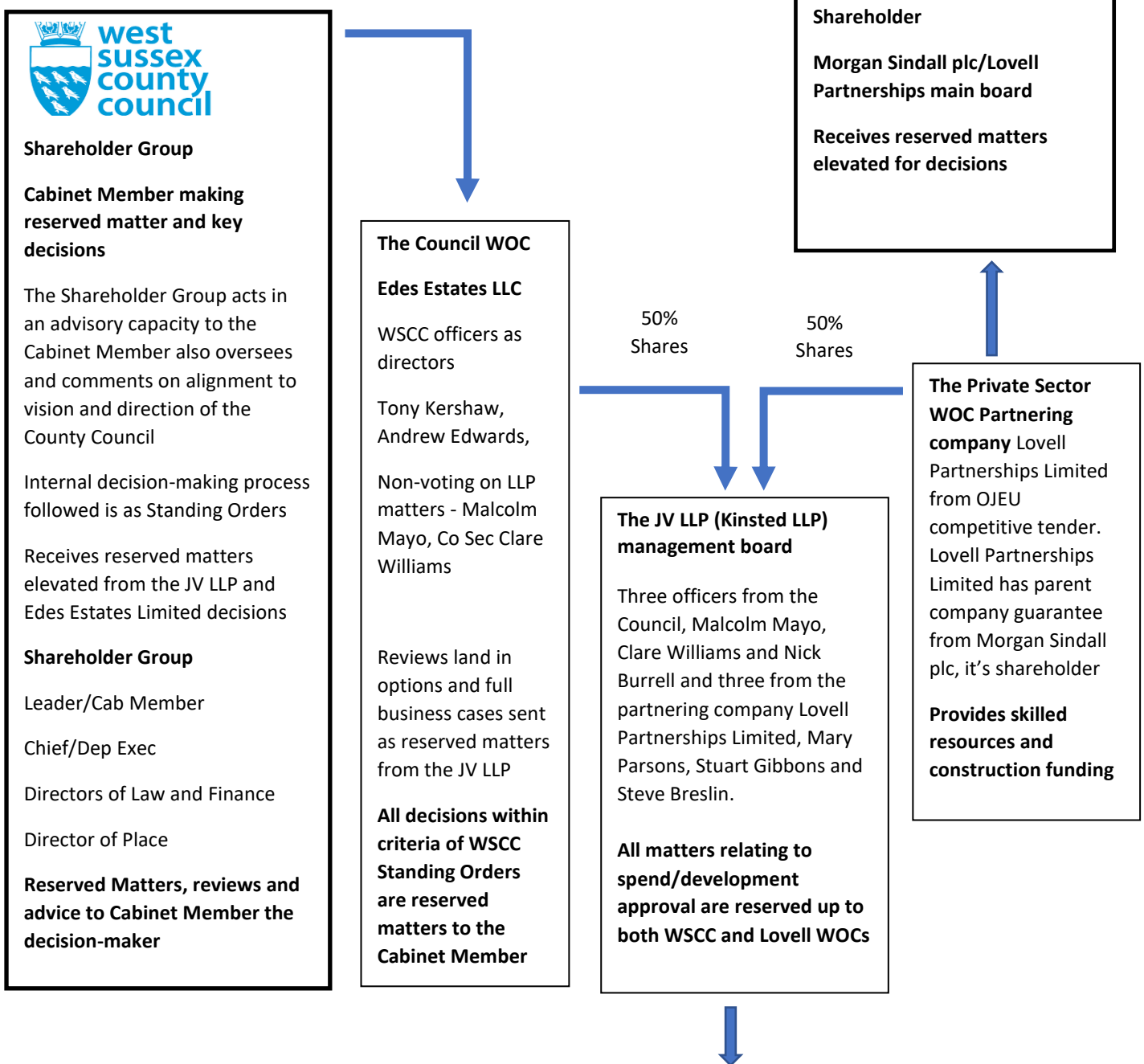


The structure of governance for Edes Estates and the JV LLP



Project Director (Leanne Smith) appointed by and reports to JV LLP Board

Employed by the partnering company with staff from the partnering company to run the delivery operation. The cost is paid for under the Development Management Services Agreement, which is a fixed % and was tendered.

The design and construction development work costs are funded by Morgan Sindall Group plc/Lovell Partnerships Limited, up to the value of the land. This is paid for as 'loan notes', the interest coupon is fixed and was tendered. The land value attracts the same coupon from the transfer of land to start construction. All construction costs are open book, package tendered, benchmarked by KPIs set in the tender. To maintain value, the 'exclusivity' is reviewed every five years and can only be renewed twice before open tender.