

4 parts of this talk

- Contractual structure
- Procurement
- SPV structure
- Other legal considerations

05 February 2011

1



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Contractual structure

- RP/LA forms the SPV
- RP/LA leases roof space to SPV
- Works contract between SPV and G Purchase

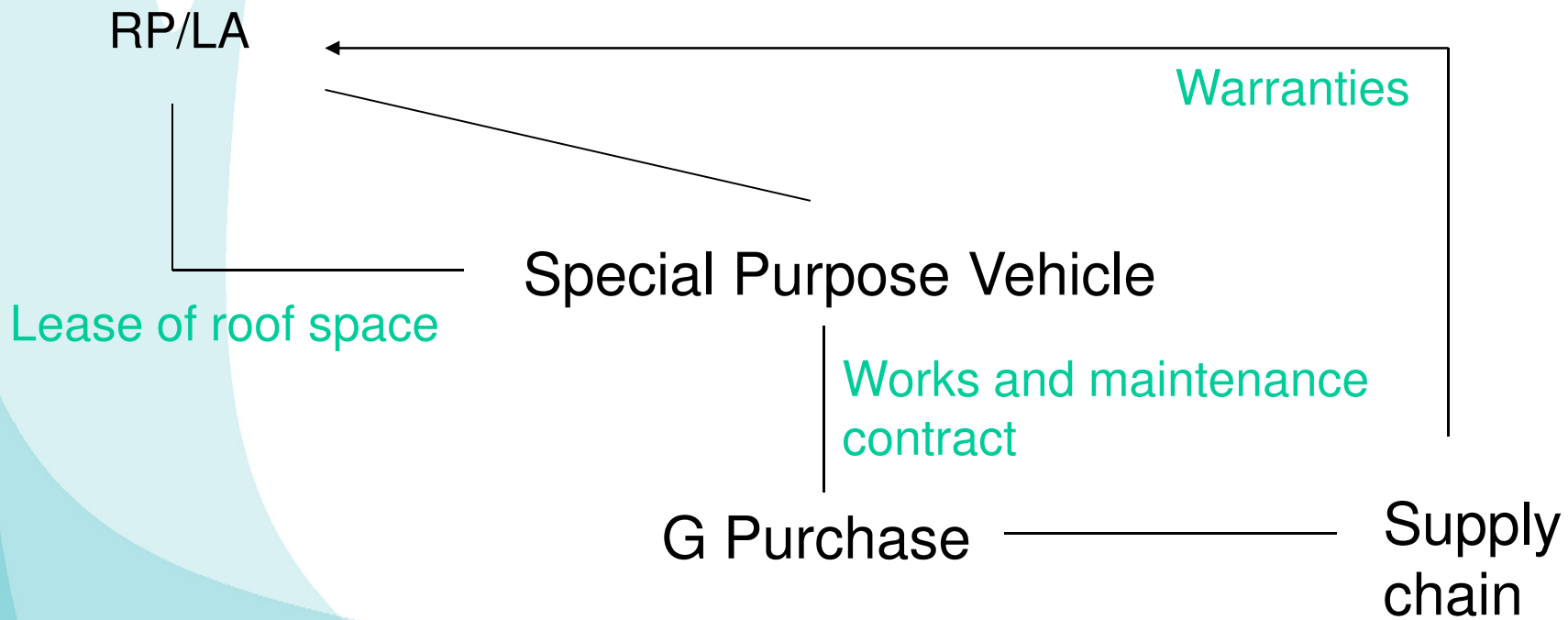
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2

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Contractual Diagram



Procurement (1)

- Public Contracts Regulations 2006
 - Applies to “contracting authorities”
 - Purchasing works, services or supplies



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Procurement (2)

- Contracts between RP/LA and SPV
 - Lease – exemption for land transactions
- SPV letting contracts
 - Is the SPV a “contracting authority”?

Procurement (3)

- Is the SPV a “contracting authority”?
 - Association formed by the RP/LA?
 - Meeting needs in the general interest?
 - Having an industrial or commercial character?
- Ensure SPV has:
 - “commercial character”

Legal nature of the SPV

- For profit and commercial entity
 - LLP structure
 - Company limited by shares
- Profits covenanted to RP?
- Profits returned by rent?

Other legal considerations (1)

- Your relationship with tenants
 - Variation of tenancy agreement
 - Tenants' promises
 - Right to enter for inspection of equipment
 - Not to interfere with equipment
 - PRTB (s117) or RTBs

Other legal considerations (2)

- Consents
 - Section 9 consent
- Lender's consent
- On-lending
- Stock transfer – development covenants / clawback

Any questions?

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